



CONGRESS OF THE FEDERATED STATES OF MICRONESIA

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COMMITTEE ON
WAYS AND MEANS

STANDING COMMITTEE REPORT NO. 24-23

RE: PRESIDENTIAL COMMUNICATION NO. 23-573/W&M

SUBJECT: FY 2026 BUDGET/W&M

SEPTEMBER 24, 2025

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

Dear Mr. Speaker:

Your Committee on Ways and Means, to which was 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 *Federated States of Micronesia FY2026 Proposed 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 those portions of the proposed budget relating to matters under its jurisdiction. These are:

- I. Office of the President
 - a. President's Office
 - b. Public Information Office
 - c. Office of ODA and Compact Management

- II. Department of Finance and Administration
 - a. Office of the Secretary
 - b. Division of National Treasury
 - c. Division of Customs and Tax Administration
 - d. Division of Investment and International Finance

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e. Division of Budget and Economic Management

III. Office of Personnel

IV. FSM Congress

- a. Speaker and Members
- b. Staff Office
- c. Delegation Offices

V. FSM National Public Auditor

VI. Grants, Subsidies and Contributions

- a. Office of the President
- b. Department of Finance and Administration
- c. Office of Personnel
- d. FSM Congress
- e. FSM National Public Auditor
- f. Other Grants, Subsidies & Contributions

VII. Capital and Human Resource Development

- a. Department of Finance and Administration
- b. Other Capital and Human Resource Development

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

Your Committee conducted a public hearing with the Department of Finance and Administration, the Office of the President, the Office of Personnel, and the Office of the National Public Auditor on Tuesday, May 27, at 3:00 p.m. Your Committee conducted a public hearing with the FSM Congress Administration, including delegation office staff and other key staff, on Thursday, September 18, 2025, at 12:00 p.m. Following these public hearings, on Monday, September 22, at 12:00 p.m., your Committee met internally to deliberate over its recommendations. This Standing Committee Report reflects the recommendations of

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your Committee on Ways and Means regarding areas of the proposed FY 2026 budget under its direct jurisdiction.

Discussion of the FY 2026 Budget

I. Office of the President

The following table provides an overview of your Committee's recommended funding for the total operations of the Office of the President for FY2026. The funding source for all line items within the Office of the President is domestic revenue.

Overview - Total Operations

	FY 2025 Appropriation (through P.L. No. 24-18)	FY2026 Executive (Budget Book) Recommendation	FY2026 Ways & Means Committee Recommendation
Personnel	\$1,148,814	\$1,151,905	\$1,151,905
Travel	\$819,233	\$653,217	\$653,217
Contractual Services	\$1,287,000	\$900,000	\$900,000
OCE	\$142,860	\$142,860	\$142,860
Fixed Assets	\$33,000	-0-	-0-
TOTAL	\$3,430,907	\$2,847,982	\$2,847,982
<i>Employee Count</i>	26	26	26

In total, your Committee recommends **\$2,847,982** in operational funding for the Office of the President. The tables below break

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down this recommended funding, by division.

Office of the President: President's Office

	FY2026 Executive (Budget Book) Recommendation	FY2026 Ways & Means Committee Recommendation
Personnel	\$749,535	\$749,535
Travel	\$342,267	\$342,267
Contractual Services	\$698,000	\$698,000
OCE	\$96,500	\$96,500
Fixed Assets	-0-	-0-
TOTAL	\$1,886,302	\$1,886,302
<i>Employee Count</i>	<i>13</i>	<i>13</i>

Your Committee's recommended funding for Fiscal Year 2026 for the operations of the Office of the President: President's Office is \$1,886,302.

Office of the President: Public Information Office

	FY2026 Executive (Budget Book) Recommendation	FY2026 Ways & Means Committee Recommendation
Personnel	\$117,330	\$117,330
Travel	\$110,950	\$110,950

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Contractual Services	\$2,000	\$2,000
OCE	\$22,060	\$22,060
Fixed Assets	-0-	-0-
TOTAL	\$252,340	\$252,340
<i>Employee Count</i>	<i>4</i>	<i>4</i>

Your Committee's recommended funding for Fiscal Year 2026 for the operations of the Office of the President: Public Information Office is **\$252,340**.

Office of the President: Division of ODA and Compact Management

	FY2026 Executive (Budget Book) Recommendation	FY2026 Ways & Means Committee Recommendation
Personnel	\$285,040	\$285,040
Travel	\$200,000	\$200,000
Contractual Services	\$200,000	\$200,000
OCE	\$24,300	\$24,300
Fixed Assets	-0-	-0-
TOTAL	\$709,340	\$709,340
<i>Employee Count</i>	<i>9</i>	<i>9</i>

Your Committee's recommended funding for Fiscal Year 2026 for the operations of the Office of the President: Division of ODA and Compact Management is **\$709,340**.

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II. Department of Finance and Administration

The following is an overview of your Committee's recommended funding for the total operations of the Department of Finance and Administration for FY 2026. The primary funding source for the operations of the Department of Finance and Administration is domestic revenue. However, the Personnel line item is funded, in part, by Compact Enhanced Reporting and Accountability (ERA) Sector Grant funds. Your Committee has noted the funding source of all line items in the tables below.

Overview - Total Operations

Category	FY 2025 Appropriation (through P.L. No. 24-18)			FY2026 Executive (Budget Book) Recommendation			FY2026 Ways & Means Committee Recommendation		
	Domestic	Compact ERA Sector Grant	TOTAL	Domestic	Compact ERA Sector Grant	TOTAL	Domestic	Compact ERA Sector Grant	TOTAL
Personnel	\$3,291,689	\$271,793	\$3,563,482	\$3,272,123	\$280,000	\$3,552,123	\$3,272,123	\$280,000	\$3,552,123
Travel	\$283,907	-0-	\$283,907	\$228,958	-0-	\$228,958	\$228,958	-0-	\$228,958
Contractual Services	\$302,446	-0-	\$302,446	\$267,696	-0-	\$267,696	\$267,696	-0-	\$267,696
OCE	\$402,253	-0-	\$402,253	\$359,078	-0-	\$359,078	\$359,078	-0-	\$359,078
Fixed Assets	\$10,000	-0-	\$10,000	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	\$4,290,295	\$271,793	\$4,562,088	\$4,127,855	\$280,000	\$4,407,855	\$4,127,855	\$280,000	\$4,407,855
Employee Count			135			135			135

Overall, your Committee recommends **\$4,407,855** in operational funding for the Department of Finance and Administration, of which **\$4,127,855** comes from domestic revenue and **\$280,000** comes from Compact ERA Sector Grant funds.

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Your Committee has broken down the budget recommendations for each of the individual divisions of the Department of Finance and Administration, in the tables below.

Department of Finance and Administration: Office of the Secretary

Category	FY2026 Executive (Budget Book) Recommendation			FY2026 Ways & Means Committee Recommendation		
	Domestic	Compact ERA Sector Grant	TOTAL	Domestic	Compact ERA Sector Grant	TOTAL
Personnel	\$222,874	-0-	\$222,874	\$222,874	-0-	\$222,874
Travel	\$70,000	-0-	\$70,000	\$70,000	-0-	\$70,000
Contractual Services	\$43,500	-0-	\$43,500	\$43,500	-0-	\$43,500
OCE	\$52,580	-0-	\$52,580	\$52,580	-0-	\$52,580
Fixed Assets	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	\$388,954	-0-	\$388,954	\$388,954	-0-	\$388,954
Employee Count			6			6

Your Committee's recommended funding for Fiscal Year 2026 for the Office of the Secretary is **\$388,954**, from domestic revenue only.

Department of Finance and Administration: Division of National Treasury

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Category	FY2026 Executive (Budget Book) Recommendation			FY2026 Ways & Means Committee Recommendation		
	Domestic	Compact ERA Sector Grant	TOTAL	Domestic	Compact ERA Sector Grant	TOTAL
Personnel	\$918,813	\$247,283	\$1,166,096	\$918,813	\$247,283	\$1,166,096
Travel	\$40,082	-0-	\$40,082	\$40,082	-0-	\$40,082
Contractual Services	\$86,646	-0-	\$86,646	\$86,646	-0-	\$86,646
OCE	\$94,501	-0-	\$94,501	\$94,501	-0-	\$94,501
Fixed Assets	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	\$1,140,041	\$247,283	\$1,387,324	\$1,140,041	\$247,283	\$1,387,324
Employee Count			44			44

Your Committee's recommended funding for Fiscal Year 2026 for the Division of National Treasury is **\$1,387,324**, of which **\$1,140,041** comes from domestic revenue and **\$247,283** comes from Compact ERA Sector Grant funds.

Department of Finance and Administration: Division of Customs and Tax Administration

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Category	FY2026 Executive (Budget Book) Recommendation			FY2026 Ways & Means Committee Recommendation		
	Domestic	Compact ERA Sector Grant	TOTAL	Domestic	Compact ERA Sector Grant	TOTAL
Personnel	\$1,496,054	-0-	\$1,496,054	\$1,496,054	-0-	\$1,496,054
Travel	\$76,386	-0-	\$76,386	\$76,386	-0-	\$76,386
Contractual Services	\$132,800	-0-	\$132,800	\$132,800	-0-	\$132,800
OCE	\$168,047	-0-	\$168,047	\$168,047	-0-	\$168,047
Fixed Assets	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	\$1,873,286	-0-	\$1,873,286	\$1,873,286	-0-	\$1,873,286
Employee Count			61			61

Your Committee's recommended funding for Fiscal Year 2026 for the Division of Customs and Tax Administration is **\$1,873,286**, from domestic revenue only.

Department of Finance and Administration: Division of Investment and International Finance

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Category	FY2026 Executive (Budget Book) Recommendation			FY2026 Ways & Means Committee Recommendation		
	Domestic	Compact ERA Sector Grant	TOTAL	Domestic	Compact ERA Sector Grant	TOTAL
Personnel	\$167,717	\$32,717	\$200,434	\$167,717	\$32,717	\$200,434
Travel	\$30,240	-0-	\$30,240	\$30,240	-0-	\$30,240
Contractual Services	-0-	-0-	-0-	-0-	-0-	-0-
OCE	\$14,127	-0-	\$14,127	\$14,127	-0-	\$14,127
Fixed Assets	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	\$212,084	\$32,717	\$244,801	\$212,084	\$32,717	\$244,801
Employee Count			8			8

Your Committee's recommended funding for Fiscal Year 2026 for the Division of Investment and International Finance is **\$244,801**, of which **\$212,084** comes from domestic revenue and **\$32,717** comes from Compact ERA Sector Grant funds.

Department of Finance and Administration: Division of Budget and Economic Management

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Category	FY2026 Executive (Budget Book) Recommendation			FY2026 Ways & Means Committee Recommendation		
	Domestic	Compact ERA Sector Grant	TOTAL	Domestic	Compact ERA Sector Grant	TOTAL
Personnel	\$466,665	-0-	\$466,665	\$466,665	-0-	\$466,665
Travel	\$12,251	-0-	\$12,251	\$12,251	-0-	\$12,251
Contractual Services	\$4,750	-0-	\$4,750	\$4,750	-0-	\$4,750
OCE	\$29,823	-0-	\$29,823	\$29,823	-0-	\$29,823
Fixed Assets	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	\$513,490	-0-	\$513,490	\$513,490	-0-	\$513,490
Employee Count			16			16

Your Committee's recommended funding for Fiscal Year 2026 for the Division of Budget and Economic Management is **\$513,490**, from domestic revenue only.

III. Office of Personnel

The following is an overview of your Committee's recommended funding for the total operations of the Office of Personnel for FY2026. The funding source for all Office of Personnel operations line items is domestic revenue.

Office of Personnel

	FY 2025 Appropriation (through P.L. No. 24-18)	FY2026 Executive (Budget Book) Recommendation	FY2026 Ways & Means Committee Recommendation

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Personnel	\$247,056	\$252,624	\$252,624
Travel	\$15,250	\$15,100	\$15,100
Contractual Services	\$2,700	-0-	-0-
OCE	\$12,300	\$12,425	\$12,425
Fixed Assets	\$4,000	-0-	-0-
TOTAL	\$281,306	\$280,149	\$280,149
<i>Employee Count</i>	<i>8</i>	<i>8</i>	<i>8</i>

Overall, your Committee's recommended funding for Fiscal Year 2026 for the Office of Personnel is **\$280,149**, from domestic revenue only.

IV. FSM Congress

The following tables summarize your Committee's recommended funding levels for the operations of the Congress of the Federated States of Micronesia (FSM Congress).

The funding source for all FSM Congress operations line items is domestic revenue.

In general, your Committee notes that it intends to reassess its recommendations for all line items in the FSM Congress operations budget during its upcoming meetings to consolidate the overall FY2026 budget. The numbers presented below represent the Committee's initial determinations, subject to

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revision during the FY 2026 budget consolidation process.

FSM Congress: Speaker and Members

	FY 2025 Appropriation (through P.L. No. 24-18)	FY2026 Executive (Budget Book) Recommendation	FY2026 FSM Congress Recommendation to the Executive Budget Review Committee (EBRC)	FY2026 Ways & Means Committee Recommendation
Personnel	\$1,001,650	\$1,001,650	\$1,001,650	\$1,001,650
Travel	\$1,014,212	\$804,212	\$804,212	\$1,014,212
Contractual Services	\$3,830,600	\$2,734,600	\$2,734,600	\$2,734,600
OCE	-0-	-0-	-0-	-0-
Fixed Assets	-0-	-0-	-0-	-0-
TOTAL	\$5,846,462	\$4,540,462	\$4,540,462	\$4,750,462
<i>Employee Count</i>	<i>14</i>	<i>14</i>	<i>14</i>	<i>14</i>

Your Committee notes that it has recommended a slight increase

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for the "Travel" line item over the amount recommended by the EBRC; this increase brings your Committee's recommendation for Speaker and Members: Travel to the same level as the final appropriation for this line item in FY2025.

Overall, your Committee recommends total funding for FY2026 for FSM Congress: Speaker and Members in the amount of **\$4,750,462**.

FSM Congress: Staff Offices

	FY 2025 Appropriation (through P.L. No. 24-18)	FY2026 Executive (Budget Book) Recommendation	FY2026 FSM Congress Recommendation to the Executive Budget Review Committee (EBRC)	FY2026 Ways & Means Committee Recommendation
Personnel	\$1,997,604	\$2,008,996	\$2,008,996	\$2,092,796
Travel	\$270,000	\$242,788	\$270,000	\$270,000
Contractual Services	\$800,000	\$645,400	\$800,000	\$800,000
OCE	\$349,000	\$286,000	\$339,000	\$339,000
Fixed Assets	\$260,000	-0-	\$260,000	\$260,000
TOTAL	\$3,676,604	\$3,183,184	\$3,677,996	\$3,761,796

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Employee Count	56	56	56	59
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Your Committee notes that its FY2026 FSM Congress: Staff Office budget recommendations include an increase to the Personnel line item and the employee count, reflecting slight salary increases for certain "exempt" employees, in addition to the reclassification of certain workers from "contract" to "employee" status.

Your Committee also notes that, at its public hearing on the FSM Congress budget for FY2026, the FSM Congress Director of Administration and the FSM Congress Budget Officer provided additional information related to the anticipated FY2026 budgetary needs of FSM Congress. Your Committee has carefully reviewed the supplementary materials that were provided and it has based its recommendations on those materials and on the testimony provided by the FSM Congress Administration and key staff members. Your Committee has requested FY 2025 fund balances for all FSM Congress line items and it intends to revisit all FSM Congress budget recommendations during its upcoming FY2026 budget consolidation meetings.

For now, your Committee recommends total funding for FY2026 for FSM Congress: Staff Offices in the amount of **\$3,761,796**.

FSM Congress: Delegation Offices

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Category	KOSRAE				POHNPEI			
	FY 2025 Appropriation (through P.L. No. 24-18)	FY2026 Executive (Budget Book) Recommendation	FY2026 FSM Congress Recommendation	FY2026 Ways & Means Committee Recommendation	FY 2025 Appropriation (through P.L. No. 24-18)	FY2026 Executive (Budget Book) Recommendation	FY2026 FSM Congress Recommendation	FY2026 Ways & Means Committee Recommendation
Personnel	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Travel	\$10,000	\$10,000	\$10,000	\$10,000	\$5,000	\$5,000	\$5,000	\$5,000
Contractual Services	\$500,000	\$100,000	\$100,000	\$100,000	\$1,000,000	\$200,000	\$200,000	\$200,000
OCE	\$20,000	\$20,000	\$20,000	\$20,000	\$37,000	\$37,000	\$37,000	\$37,000
Fixed Assets	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	\$530,000	\$130,000	\$130,000	\$130,000	\$1,042,000	\$242,000	\$242,000	\$242,000

Category	CHUUK				YAP			
	FY 2025 Appropriation (through P.L. No. 24-18)	FY2026 Executive (Budget Book) Recommendation	FY2026 FSM Congress Recommendation	FY2026 Ways & Means Committee Recommendation	FY 2025 Appropriation (through P.L. No. 24-18)	FY2026 Executive (Budget Book) Recommendation	FY2026 FSM Congress Recommendation	FY2026 Ways & Means Committee Recommendation
Personnel	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Travel	\$15,000	\$15,000	\$15,000	\$15,000	\$13,000	\$13,000	\$13,000	\$13,000
Contractual Services	\$1,510,000	\$310,000	\$310,000	\$310,000	\$510,000	\$110,000	\$110,000	\$110,000
OCE	\$40,000	\$40,000	\$40,000	\$40,000	\$17,000	\$17,000	\$17,000	\$17,000
Fixed Assets	\$10,000	-0-	\$10,000	\$10,000	\$5,000	-0-	\$5,000	\$5,000
TOTAL	\$1,575,000	\$365,000	\$375,000	\$375,000	\$545,000	\$140,000	\$145,000	\$145,000

Your Committee notes that all personnel expenses for FSM Congress: Delegation Offices are included in the "Personnel" line item for FSM Congress: Staff Offices.

As noted above, your Committee plans to revisit the recommendations for the line items under FSM Congress: Delegation Offices during its overall FY2026 budget consolidation meetings. For now, your Committee recommends total funding for FY2026 for FSM Congress: Delegation Offices in the total amount of **\$892,000**.

V. FSM National Public Auditor

The following is a summary of your Committee's recommended funding for the total operations of the Office of the FSM National Public Auditor for FY2026. The funding source for all FSM National Public Auditor operations line items is domestic revenue.

FSM National Public Auditor: Total Operations

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	FY 2025 Appropriation (through P.L. No. 24-18)	FY2026 Executive (Budget Book) Recommendation	FY2026 Ways & Means Committee Recommendation
Personnel	\$1,060,576	\$1,060,576	\$1,087,773
Travel	\$135,475	\$100,000	\$180,370
Contractual Services	\$126,000	\$101,000	\$101,000
OCE	\$188,800	\$175,000	\$188,800
Fixed Assets	-0-	-0-	-0-
TOTAL	\$1,510,851	\$1,436,576	\$1,557,943
<i>Employee Count</i>	<i>27</i>	<i>27</i>	<i>27</i>

Your Committee notes that, after its public hearing with the FSM National Public Auditor on the FY26 budget, the FSM National Public Auditor provided your Committee with printed materials in support of a request for increased funding. These materials indicated an additional need for funding for the Personnel, Travel, and OCE line items. The requested Personnel funding increase related to: (1) an employee who passed a certified fraud examination, allowing the employee to qualify for a professional premium, and (2) an employee who has been reclassified from an Investigator I to an Investigator II. The requested Travel funding increase related to multiple trips, and it reflected an amount closer to the amount originally proposed by the FSM National Public Auditor to the EBRC. The requested OCE funding increase similarly covered several contemplated

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expenditures, and it reflected an amount equal to the amount originally proposed by the FSM National Public Auditor to the EBRC. Overall, the FSM National Public Auditor stated that its requested funding increase would help ensure that its office is able to carry out its strategic objectives and goals effectively. After carefully reviewing the printed materials provided by the FSM National Public Auditor, your Committee has decided to support the FSM National Public Auditor's request for increased funding, as reflected in the table above.

In summary, your Committee's recommended funding for Fiscal Year 2026 for the FSM National Public Auditor is **\$1,557,943**; this amount is comprised entirely of domestic revenue.

VI. Grants, Subsidies and Contributions

Your Committee recommends funding for Grants, Subsidies, and Contributions in the amounts listed in the tables below:

Grants, Subsidies and Contributions: Office of the President

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Line Item	FY 2025 Appropriation (through P.L. No. 24-18)			FY2026 Executive (Budget Book) Recommendation			FY2026 Ways & Means Committee Recommendation		
	Domestic	Compact and Other	TOTAL	Domestic	Compact and Other	TOTAL	Domestic	Compact and Other	TOTAL
Asia Pacific Institute for Broadcasting Development (AIBD)	\$4,500	-0-	\$4,500	\$4,500	-0-	\$4,500	\$4,500	-0-	\$4,500
Asia-Pacific Broadcasting Union	\$800	-0-	\$800	\$800	-0-	\$800	\$800	-0-	\$800
Pacific Islands News Association (PINA)	\$350	-0-	\$350	\$350	-0-	\$350	\$350	-0-	\$350
Asia Pacific Investment	\$250	-0-	\$250	\$250	-0-	\$250	\$250	-0-	\$250
Former Presidents' Allowance	\$120,000	-0-	\$120,000	\$120,000	-0-	\$120,000	\$120,000	-0-	\$120,000
Compact Drawdown Program	-0-	\$31,677 (Compact ERA Sector Grant)	\$31,677 (Compact ERA Sector Grant)	-0-	-0-	-0-	-0-	-0-	-0-
Presidential Public Schedule / State Visits	\$100,000	-0-	\$100,000	\$100,000	-0-	\$100,000	\$100,000	-0-	\$100,000
COFA Day	-0-	-0-	-0-	\$30,000	-0-	\$30,000	\$30,000	-0-	\$30,000
Acquisition of Assets in Chuuk (Vehicle & Boat)	-0-	-0-	-0-	\$200,000	-0-	\$200,000	-0-	-0-	-0-
President's Day	-0-	-0-	-0-	\$50,000*	-0-	\$50,000*	\$50,000	-0-	\$50,000
Cultural Day	-0-	-0-	-0-	\$50,000*	-0-	\$50,000*	\$50,000	-0-	\$50,000
FSM Constitution Day	-0-	-0-	-0-	\$50,000*	-0-	\$50,000*	\$50,000	-0-	\$50,000
TOTAL	\$225,900	\$31,677	\$257,577	\$605,900	-0-	\$605,900	\$405,900	-0-	\$405,900

* Indicates revisions to the original Budget Book Recommendation, as contained in the Executive's Revised FY2026 Budget Bill (introduced, by request, as C.B. No. 24-16).

Grants, Subsidies and Contributions: Department of Finance and Administration

STANDING COMMITTEE REPORT NO. 21-23

RE: PRESIDENTIAL COMMUNICATION NO. 23-573/W&M

SUBJECT: FY 2026 BUDGET/W&M

SEPTEMBER 24, 2025

Line Item	FY 2025 Appropriation (through P.L. No. 24-18)			FY2026 Executive (Budget Book) Recommendation			FY2026 Ways & Means Committee Recommendation		
	Domestic	Compact Grants	TOTAL	Domestic	Compact Grants	TOTAL	Domestic	Compact Grants	TOTAL
CTA – OCO Membership Fee	\$10,000	-0-	\$10,000	\$10,000	-0-	\$10,000	\$10,000	-0-	\$10,000
Maintenance Fee for Financial Management System	\$55,000	-0-	\$55,000	\$55,000	-0-	\$55,000	\$55,000	-0-	\$55,000
PITTA – CTA	\$5,000	-0-	\$5,000	\$5,000	-0-	\$5,000	\$5,000	-0-	\$5,000
ADB, IMF & Budget, Finance Policy Consultations	\$25,000	-0-	\$25,000	\$25,000	-0-	\$25,000	\$25,000	-0-	\$25,000
Global Forum Membership	\$26,000	-0-	\$26,000	\$26,000	-0-	\$26,000	\$26,000	-0-	\$26,000
PFTAC Membership Fees	\$20,000	-0-	\$20,000	\$20,000	-0-	\$20,000	\$20,000	-0-	\$20,000
FSM Trust Fund Board	\$50,000	-0-	\$50,000	\$50,000	-0-	\$50,000	\$50,000	-0-	\$50,000
Finance Conference	-0-	-0-	-0-	\$75,000	-0-	\$75,000	\$75,000	-0-	\$75,000
Preparation of Unaudited Financial Statements from FY2024 and FY2025	\$75,000	-0-	\$75,000	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	\$266,000	-0-	\$266,000	\$266,000	-0-	\$266,000	\$266,000	-0-	\$266,000

Grants, Subsidies and Contributions: Office of Personnel

Line Item	FY 2025 Appropriation (through P.L. No. 24-18)			FY2026 Executive (Budget Book) Recommendation			FY2026 Ways & Means Committee Recommendation		
	Domestic	Compact Grants	TOTAL	Domestic	Compact Grants	TOTAL	Domestic	Compact Grants	TOTAL
Staff Housing	\$942,500	-0-	\$942,500	\$900,000	-0-	\$900,000	\$900,000	-0-	\$900,000
Recruitment and Repatriation	\$106,452	-0-	\$106,452	\$50,000*	-0-	\$50,000*	\$50,000	-0-	\$50,000
Capacity Building	-0-	-0-	-0-	\$5,000	-0-	\$5,000	\$5,000	-0-	\$5,000
Furnishing of National Government Officials Housing Allowance	-0-	-0-	-0-	-0-**	-0-	-0-**	-0-	-0-	-0-
TOTAL	\$1,048,952	-0-	\$1,048,952	\$955,000	-0-	\$955,000	\$955,000	-0-	\$955,000

*Budget Book contains conflicting recommendations (Amounts of \$50,000 and \$150,000 were both recommended in different places in the Budget Book.)

** Budget Book contains conflicting recommendations (Amounts of -0- and \$50,000 were both recommended in different places in the Budget Book.)

STANDING COMMITTEE REPORT NO. 24-23

RE: PRESIDENTIAL COMMUNICATION NO. 23-573/W&M

SUBJECT: FY 2026 BUDGET/W&M

SEPTEMBER 24, 2025

The FY2026 Executive (Budget Book) Recommendation numbers in the chart above reflect the numbers in C.B. No. 24-16.

Grants, Subsidies and Contributions: FSM Congress

Line Item	FY 2025 Appropriation (through P.L. No. 24-18)			FY2026 Executive (Budget Book) Recommendation			FY2026 Ways & Means Committee Recommendation		
	Domestic	Compact and Other	TOTAL	Domestic	Compact and Other	TOTAL	Domestic	Compact and Other	TOTAL
IPU Annual Dues	\$12,500	-0-	\$12,500	-0-	-0-	-0-	\$12,500	-0-	\$12,500
COFA Alliance National Network	\$25,000	-0-	\$25,000	-0-	-0-	-0-	-0-	-0-	-0-
Micronesia Productions	\$50,000	-0-	\$50,000	-0-	-0-	-0-	-0-	-0-	-0-
Fisheries Meeting (Revenue Generation Meetings)	\$30,000	-0-	\$30,000	-0-	-0-	-0-	\$50,000	-0-	\$50,000
Chuuk Delegation Office Arrears Related to COVID-19 and Other Expenses	\$20,000	-0-	\$20,000	-0-	-0-	-0-	-0-	-0-	-0-
COP 30 Conference	-0-	-0-	-0-	-0-	-0-	-0-	\$100,000	-0-	\$100,000
World Bank/IMF and ADB Conferences	-0-	-0-	-0-	-0-	-0-	-0-	\$50,000	-0-	\$50,000
TOTAL	\$137,500	-0-	\$137,500	-0-	-0-	-0-	\$212,500	-0-	\$212,500

Your Committee reiterates its intent to revisit all of its recommendations related to FSM Congress during its internal meetings on the consolidated FY2026 budget.

Grants, Subsidies and Contributions: FSM National Public Auditor

STANDING COMMITTEE REPORT NO. 24-23

RE: PRESIDENTIAL COMMUNICATION NO. 23-573/W&M

SUBJECT: FY 2026 BUDGET/W&M

SEPTEMBER 24, 2025

Line Item	FY 2025 Appropriation (through P.L. No. 24-18)			FY2026 Executive (Budget Book) Recommendation			FY2026 Ways & Means Committee Recommendation		
	Domestic	Compact PSCB Grant	TOTAL	Domestic	Compact PSCB Grant	TOTAL	Domestic	Compact PSCB Grant	TOTAL
Single Audit Fees and Cost	-0-	\$1,565,948	\$1,565,948	-0-	\$1,565,948	\$1,565,948	-0-	\$1,565,948	\$1,565,948
Annual APIPA Conference	-0-	-0-	-0-	-0-	-0-	-0-	\$50,000	-0-	\$50,000
FSM Public Auditor's Annual Conference	-0-	-0-	-0-	-0-	-0-	-0-	\$30,000	-0-	\$30,000
TOTAL	-0-	\$1,565,948	\$1,565,948	-0-	\$1,565,948	\$1,565,948	\$80,000	\$1,565,948	\$1,645,948

Your Committee notes that, following its FY26 budget hearing with the FSM National Public Auditor, the FSM National Auditor provided your Committee with printed materials in support of a request for additional funding for the Annual APIPA Conference and FSM Public Auditor's Annual Conference line items. Your Committee believes that these conferences can play a significant role in furthering the goals and objectives of the FSM National Public Auditor, and it recommends funding for both line items, as indicated in the table above.

Your Committee also notes that the "Single Audit Fees and Cost" line item is funded entirely by the Compact Public Sector Capacity Building (PSCB) Sector Grant. All other line items in this section are funded in their entirety by domestic revenue.

VII. Capital and Human Resource Development

Your Committee recommends funding for Capital and Human Resource Development in the amounts listed in the tables below:

Capital and Human Resource Development: Department of Finance and Administration

STANDING COMMITTEE REPORT NO. 24-23

RE: PRESIDENTIAL COMMUNICATION NO. 23-573/W&M

SUBJECT: FY 2026 BUDGET/W&M

SEPTEMBER 24, 2025

Line Item	FY 2025 Appropriation (through P.L. No. 24-18)			FY2026 Executive (Budget Book) Recommendation			FY2026 Ways & Means Committee Recommendation		
	Domestic	Compact Grants	TOTAL	Domestic	Compact Grants	TOTAL	Domestic	Compact Grants	TOTAL
PCD Awareness and Training	\$35,000	-0-	\$35,000	-0-	-0-	-0-	-0-	-0-	-0-
Tax Reform Taskforce	\$50,000	-0-	\$50,000	\$150,000	-0-	\$150,000	-0-	-0-	-0-
Compact Reporting (Third Party)	-0-	-0-	-0-	\$250,000	-0-	\$250,000	\$250,000	-0-	\$250,000
TOTAL	\$85,000	-0-	\$85,000	\$400,000	-0-	\$400,000	\$250,000	-0-	\$250,000

Conclusion

Your Committee on Ways and Means has reviewed all portions of the proposed Fiscal Year 2026 budget under its direct jurisdiction. Your Committee has carefully considered the information provided in the Budget Book and in the testimony and written materials provided by the Office of the President, the Department of Finance and Administration, the Office of Personnel, the Office of the FSM National Public Auditor, and FSM Congress, including information related to Grants, Subsidies, and Contributions, as well as Capital and Human Resource Development.

Your Committee on Ways and Means recommends appropriations in the sums set forth in the above columns titled "FY2026 Ways & Means Committee Recommendation," subject to the availability of funds, as will be determined by your Committee upon consolidation of all other Committee recommendations.

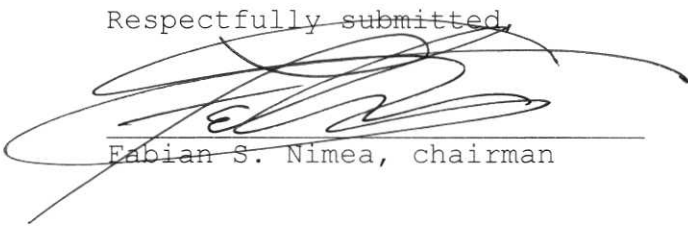
STANDING COMMITTEE REPORT NO. 24-23

RE: PRESIDENTIAL COMMUNICATION NO. 23-573/W&M

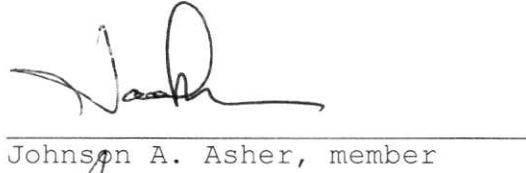
SUBJECT: FY 2026 BUDGET/W&M

SEPTEMBER 24, 2025

Respectfully submitted,



Fabian S. Nimea, chairman



Johnson A. Asher, member

Andy P. Choor, member



Peter M. Christian, member



Victor (Vicky) Gouland, member



Perpetua S. Korman, member

Joseph J. Urusemal, member