



CONGRESS OF THE FEDERATED STATES OF MICRONESIA

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COMMITTEE ON HEALTH
AND SOCIAL AFFAIRS

STANDING COMMITTEE REPORT NO. 24-40

RE: PRESIDENTIAL COMMUNICATION NO. 24-244

SUBJECT: FISCAL YEAR 2027 BUDGET/HEALTH AND SOCIAL AFFAIRS

SEPTEMBER 19, 2026

The Honorable Esmond B. Moses
Speaker, Twenty-Fourth Congress
Federated States of Micronesia
Fifth Regular Session, 2026

Dear Mr. Speaker:

Your Committee on Health and Social Affairs, to which was jointly referred Presidential Communication No. 24-244 regarding the National Government's Recommended FY2027 budget, begs leave to report as follows:

Presidential Communication No. 24-244 was transmitted to Congress with the *National Government Fiscal Year 2027 Recommended Budget* ("Budget Book"). Pursuant to Rule 7, Section 3(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 recommended budget relating to matters under its jurisdiction. These are:

- I. Department of Health and Social Affairs
 - A. Office of the Secretary
 - B. Division of Health Services
 - C. Health System Support Unit
 - D. Pharmaceutical Unit
 - E. Environmental Health Services Unit
 - F. Competent Authority Unit
 - G. Division of Social Affairs
 - H. Gender Development Unit
 - I. Sports Development & Physical Activity
 - J. Youth Support Services

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- K. Child Protection Services
- L. Disability & Elderly Services
- M. Human Rights & Social Development
- II. Office of National Archives, Culture and Historic Preservation
- III. Grants, Subsidies & Contributions
 - A. Department of Health and Social Affairs
 - 1. United Nations Fund for Population Activity (UNFPA)
 - 2. World Health Organization (WHO)
 - 3. Pacific Islands Health Officer Associations (PIHOA)
 - 4. Association of Territorial Health Organizations (ASTHO)
 - 5. National Board of Nursing & Medical Licensing
 - 6. FSM Red Cross
 - 7. UNICEF (Vaccine & TB Drugs)
 - 8. UN-FSM Women (CEDAW)
 - 9. Drug Quality Testing
 - 10. HPV Vaccine Program
 - 11. Histopathology and Diagnostic Improvement
 - 12. Members WHO-Framework Convention for Tobacco Control
 - 13. Membership fee WHO
 - 14. Women's Conference
 - 15. Payment for vendor arrears 2009-2024
 - B. Office of National Archives, Culture and Historic Preservation
 - 1. UNESCO Membership Fee
 - 2. NCSHPO
 - 3. PARBICA
 - 4. PIALA
 - 5. WHC
 - 6. Library Fee
 - C. Resources
 - 1. FSM Social Security
 - 2. MiCare Health Insurance Plan
- IV. Capital and Human Resource Development
 - A. Health & Social Affairs
 - 1. Medical Specialist Team
 - 2. MOE-BHWP Medicine
 - 3. Rheumatic Heart Program

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4. School Nurse Program
5. Youth Development/Sports/NCD
6. FSM Food & Water Testing Laboratory
7. Histopathology & Diagnostic Improvement
8. Conference BPMA
9. Strengthening Youth in Sports Program
10. FSM World Ant- Doping Agency

The Committee notes that there are inaccuracies in the President's Budget Book for FY2027, and will analyze each instance in the relevant section below.

This report, and all previous and subsequent reports of your Committee, should be treated as reflecting the policies of the Federated States of Micronesia, 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 departments, agencies and entities.

Your Committee on Health and Social Affairs held public hearings on May 18, 2026, with the National Department of Health and Social Affairs. Witnesses present at this hearing were the Acting Secretary of the Department of Health and Social Affairs with her key staff, a representative from the Office of the President, a representative from the Department of Finance and Administration, and a representative from the Office of Personnel. On May 20, 2026, the Committee held a hearing with the Office of National Archive, Cultural & Historic Preservation. Present at this hearing were representatives of the Office of National Archive, Cultural & Historic Preservation, a representative from the Office of Personnel and a representative from the Office of the President.

1. DEPARTMENT OF HEALTH AND SOCIAL AFFAIRS

The President's recommended budget for Department of Health and Social Affairs is \$2,408,507, the recommended funding sources for this are \$1,311,501 from Domestic Revenue and \$1,097,006 from Health Sector Compact Grant. Additional programs under the Department of the Health & Social Affairs jurisdiction funded by

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U.S. federal grants (\$7,676,159) and Other Foreign Aid Assistance (\$1,044,743) have a separate evaluation and appropriation process, and will be discussed in the report only in the context of how changes in their funding may impact the overall structure and function of the Department of Health and Social Affairs.

A. Office of the Secretary

	FY26 Appropriated	FY27 Depart. Proposed	FY27 President Recommended	FY27 Committee Recommended	Domestic Revenue	Health Sector Grant
Personnel	\$129,628	\$146,892	\$129,628	\$129,628	\$129,628	\$-0-
Travel	\$51,775	\$85,000	\$85,000	\$51,775	\$21,775	\$30,000
Contract	\$28,500	\$46,560	\$46,560	\$46,560	\$46,560	\$-0-
OCE	\$19,665	\$22,600	\$19,665	\$19,665	\$19,665	-0-
Fixed Assets	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-
Total	\$229,568	\$301,052	\$280,854	\$247,628	\$217,628	\$30,000
# Employees	3	3	3	3	3	-0-

Personnel:

The Committee agrees with the President's recommendation to retain the three positions in the Office of the Secretary, and further, that there is no justification for an increase or change to the compensation. The Office of Personnel was present at the hearing and confirmed that the salaries and Grade/Step for these positions are correct as presented in the Budget Book.

For the above reasons set forth, your Committee recommends \$129,628 for the Personnel category for the Office of the Secretary FY27, to be funded in its entirety from Domestic Revenue.

Travel:

Your Committee notes that Compact Health Sector grant funding is recommended only in one category for the Office of the Secretary,

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and that is Travel. There appears to be several new international meetings that the Secretary of Health and Social Affairs is expected to attend in FY27 and those are proposed for Compact funding. The Committee has remarked several times during the past years that increased travel has not come with improved administration and services provided by this Department.

Although the Committee appreciates the necessity of some travel by the Secretary it does not want to see a significant increase in the time he spends away from the FSM. The Committee strongly feels that this fiscal year budget for Travel should be sufficient for the coming FY27. The Secretary should prioritize those trips funded by Compact funding. However, the Committee recommends a decrease in the number of trips funded by Domestic Revenue, and making travel within our Nation the priority with the Domestic Revenue.

To align with the comments above, **your Committee recommends \$51,775 for Travel category for the Office of the Secretary for FY27, with \$30,000 to be funded from Compact Health Sector grant and the remaining \$21,775 from Domestic Revenue.**

Contractual Services:

There is a significant increase recommended by the President for this category. During the hearing the Department of Health and Social Affairs stated that it needs to further support its field offices in all the four States. The increase proposed here will also include funding for a lease in Kosrae for the National Department of Health and Social Affairs Field Office. The Committee understands the necessity of these local field offices but urges the Department to make full use of them. As stated in many oversight reports the communication between the National Department of Health and Social Affairs and the State Departments of Health Services, as well as, that between the National and State teams working on U.S. federally funded healthcare programs needs to be improved considerably. It is hoped that this additional support can enhance these efforts to do better. The Committee accepts the need for an increase in this budget area.

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In consideration of the above reasoning, **your Committee recommends \$46,560 for Contractual Services for the Office of the Secretary for FY27, to be funded in its entirety from Domestic Revenue.**

Other Current Expenditures:

The President recommends maintaining the same budget for this category for the coming fiscal year. The Committee understands that Compact Health Sector grant funding is proposed in larger amounts for operations for another division. This significantly benefits the whole Department of Health and Social Affairs, and the Committee is well pleased with this new information. With this new source of funding for operations in other divisions your Committee accepts the witnesses' statements that the budget represented is sufficient for FY27 for the Office of the Secretary.

With the addition of the above commentary, **your Committee recommends \$19,665 for the Other Current Expenditures for the Office of the Secretary for FY27, to be funded in its entirety from Domestic Revenue.**

Fixed Assets:

The Committee concurs with President regarding funding for this category, and therefore, **it recommends -0- funding for the Fixed Assets of the Office of the Secretary for FY27.**

In consideration of the above commentary, **your Committee recommends \$247,628 for the Office of the Secretary, with \$30,000 to be funded from Compact Health Sector grant, and the remaining \$217,628 to be funded from Domestic Revenue.**

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B. Division of Health Services

	FY 26 Approp.	FY27 Dept Proposed	FY27 President Recommend	FY27 Committee Recommend	Domestic Revenue	Compact Sector Grant
Personnel	\$40,219	\$40,219	\$40,219	\$40,219	\$40,219	\$-0-
Travel	\$-0-	\$23,000	\$23,000	\$23,000	\$-0-	\$23,000
Contract	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-
OCE	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-
Fixed Assets	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-
Total	\$40,219	\$63,219	\$63,219	\$63,219	\$40,219	\$23,000
# Employ	1	1	1	1	1	-0-

Personnel:

There is only one position recommended for this Division for the coming FY27. This is a long-standing position and is listed correctly in the Budget Book at the same salary and Grade/Step as in previous years. The Committee concurs with the President's recommendation regarding this category.

As stated above, **your Committee recommends \$40,219 for the Personnel category for the Division of Health Services for FY27, to be funded in its entirety from Domestic Revenue.**

Travel:

Funding for the travel budget is recommended by the President for this Assistant Secretary for FY27. This proposed to be funded by Compact Health Sector grant. The Assistant Secretary will visit the four States on domestic trips and take one international trip to the JEMCO meetings. The Committee acknowledges the importance of these activities and supports these proposals. The Committee also notes all items are proposed to be funded from Compact Health Sector grant.

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In review of the above commentary, **your Committee recommends \$23,000 in the Travel category for the Division of Health Services for FY27, to be funded in its entirety from the Compact Health Sector grant.**

Contractual Services/Other Current Expenditures/Fixed Assets:

The President has not recommended funding for these three categories, **your Committee concurs and recommends -0-funding for Contractual Services, Other Current Expenditures and Fixed Assets for the Division of Health Services for FY27.**

In light of the above commentary, **your Committee recommends \$63,219 for the Division of Health Services for FY27, \$23,000 to be funded from Compact Health Sector grant, and the remaining \$40,219 from Domestic Revenue.**

C. Health System Support

	FY 26 Appropriated	FY27 Dept. Proposed	FY27 President Recommend	FY27 Committee Recommend	Domestic Revenue	Compact Sector Grant
Personnel	\$234,025	\$266,004	\$266,004	\$266,004*	\$-0-	\$266,004
Travel	\$14,715	\$36,500	\$36,500	\$36,500	\$27,500	\$9,000
Contract	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$-0-
OCE	\$49,100	\$84,300	\$84,300	\$84,300	\$-0-	\$84,300
Fixed Assets	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-
Total	\$342,840	\$431,804	\$431,804	\$431,804	\$72,500	\$359,304
# Employ	10	8	8	8	-0-	8

Personnel:

The Personnel category for the Division for Health System Support is incorrect as stated in President's Budget Book. The Committee has cross checked this information with the current listing from the Office of Personnel as of May 25, 2026. Your Committee recommends only the correct salary and grade/step for

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all eight positions proposed for this Division as currently listed with the Office of Personnel. It is noted that even with the departure of two positions to another division the total personnel cost goes up due to the change in some employment to ungraded positions.

*The Committee understands that all funding for the personnel of this Division is slated come from Compact Health Sector grant. The recommendation by your Committee is that the \$248,731, now recalculated according to the current Office of Personnel, be used for personnel expenses and the \$17,273 excess be used only in case of overtime for personnel. The Committee finds the Budget Book in error and is not authorizing higher salaries as a part of its recommendations.

To align with the commentary above, **your Committee recommends \$266,004 for the Personnel category for the Division of Health System Support for FY27, to funded in its entirety from Compact Health Sector grant.**

Travel:

The Committee appreciates the continued assistance under Compact for this Division and it notes that major international trips are proposed to be funded from Compact Health Sector grant. The witnesses from the Department of Health and Social Affairs confirmed that the Compact funded trips were necessary to meet obligations, for example, attendance at the JEMCO meetings. Only one trip is proposed for funding by Domestic Revenue and this is a trip to the four States for \$9,000. The Committee believes that work done in our Nation is vitally important, and therefore, supports all trips and funding as recommended by the President.

For the above set forth reasons, **your Committee recommends \$36,500 for the Travel category for the Division of Health System Support for FY27, to be funded in the amount of \$9,000 from Compact Health Sector grant, and the remaining \$27,500 from Domestic Revenue.**

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Contractual Services

There has been only one item under this category for this Division for several years. It is the rent for a long-term lease for office space. The Committee understands that in this financial climate there is no room for purchase of land or a building to secure a permanent site, and reluctantly again accepts the necessity of this expense.

For the reason stated above, **your Committee recommends \$45,000 for the Contractual Services category of the Division of Health System Support for FY27, to be funded in its entirety from Domestic Revenue.**

Other Current Expenditures:

Your Committee is encouraged that more of the operations of the Department of Health and Social Affairs is proposed to be funded from Compact Health Sector grant. The Committee is, in fact, recommending that more Compact funding be used, if possible, in the future in this category. In order to complete activities on a timely basis and ensure employees have the supplies necessary for their work this category needs proper funding. The Committee strongly agrees with the increased funding here.

In consideration of the above commentary, **your Committee recommends \$84,300 for the Other Current Expenditures for the Division of Health System Support for FY27, to be funded in its entirety from the Compact Health Sector grant.**

Fixed Assets:

The Committee agrees with the President's recommendation for this category, and therefore, **it recommends -0- funding for the Fixed Assets category for the Division of Health System Support for FY27.**

To align itself with the reasoning above, **your Committee recommends \$431,804 for the Division of Health System Support for FY27, to be funded in the amount of \$359,304 from Compact**

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Health Sector grant, and the remaining \$72,500 for Domestic Revenue.

D. Pharmaceutical Unit

	FY26 Approp.	FY27 Dept. Proposed	FY27 President Recommend	FY27 Committee Recommend	Domestic Revenue	Compact Sector Grant
Personnel	N/A	\$56,585	\$56,585	\$56,585	\$56,585	\$-0-
Travel	N/A	\$20,000	\$20,000	\$20,000	\$-0-	\$20,000
Contract	N/A	\$50,600	\$10,000	\$10,000	\$10,000	\$-0-
OCE	N/A	\$77,800	\$30,000	\$30,000	\$-0-	\$30,000
Fixed Assets	N/A	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-
Total	N/A	\$204,985	\$116,585	\$116,585	\$66,585	\$50,000
#Employ	N/A	2	2	2	2	-0-

Personnel:

This Pharmaceutical Unit is newly created for the coming FY27. Employees have been transferred to this Unit. It was stated by the Department of Health and Social Affairs that they intended to maintain the same budgets and that this was a reorganization to make reporting lines clearer. Your Committee has doubts as to the zero impact on the budget, as previously promised about this reorganization, it has already noted several places in this report that significant increases in Domestic Revenue have been recommended by the President. This is not a criticism of staff in working in this area. The Committee appreciates the dedication to high standards for drug quality while trying to get the best pricing possible. In order to gage how this reorganization is working your Committee notices the Department of its intention to do oversight at the earliest possible date to fully come to grips with the processes.

The two positions now appearing in the Pharmaceutical Unit are listed correctly in the Budget Book when compared to the Office of Personnel listing. The Committee defers to the Department of Health and Social Affairs as to the necessity of this

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reorganization and intends to familiarize itself with its activities at the first opportunity.

For the reasons stated above, **your Committee recommends \$56,585 for the Personnel category for the Pharmaceutical Unit for FY27, to be funded in its entirety from Domestic Revenue.**

Travel:

Your Committee agrees that the trips to the four States proposed for this Unit are necessary and reasonable. It appreciates the modest budget recommended in this category as well. In the view of this the Committee agrees that important work needs to be done is inside our Nation, and it supports travel for this purpose.

For the reason stated above, **your Committee recommends \$20,000 in the Travel category for the Pharmaceutical Unit for FY27, to be funded in its entirety from Compact Health Sector grant.**

Contractual Services:

The Committee notes that only one item is proposed in this category for FY27, and that is for a Medical Inventory System Contract. It is your Committee's intention to conduct oversight regarding the inventory system for medical supplies and drugs as it still has concerns that shortages are frequent in many areas of our Nation. It is very concerning that lack of organization has led to our citizens not being able to receive vital healthcare assistance when needed. The Committee agrees that this item is an important addition for the coming fiscal year.

As stated for the reasons above, **your Committee recommends \$10,000 for the Contractual Services category for the Pharmaceutical Unit for FY27, to be in its entirety from Domestic Revenue.**

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Other Current Expenditures:

This category's budget is proposed at a modest amount for printing, training materials and office supplies. The entire budget is eligible for Compact funding and the Committee has no objections to the inclusion of items here or the total.

In light of the above comments, **your Committee recommends \$30,000 for the Other Current Expenditures category for the Pharmaceutical Unit for FY27, be funded in its entirety from Compact Health Sector grant.**

Fixed Assets:

The President has not recommended funding for this category, and your Committee concurs, so therefore, **it recommends -0- for funding for Fixed Assets for the Pharmaceutical Unit for FY27.**

Based on the commentary above, your Committee recommends \$116,585 for the Pharmaceutical Unit for FY27, with \$66,585 to be funded from Compact Health Sector grant, and the remaining \$50,000 to be funded from Domestic Revenue.

E. Environmental Health Unit

	FY26 Approp.	FY27 Dept. Proposed	FY27 President Recommend	FY27 Committee Recommend	Domestic Revenue	Compact Sector Grant
Personnel	\$475,697	\$502,952	\$502,952	\$502,952*	\$-0-	\$502,952
Travel	\$16,000	\$59,000	\$59,000	\$59,000	\$-0-	\$59,000
Contract	\$25,000	\$27,750	\$27,750	\$27,750	\$-0-	\$27,750
OCE	\$38,000	\$45,000	\$45,000	\$45,000	\$-0-	\$45,000
Fixed Assets	\$60,000	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-
Total	\$614,697	\$634,702	\$634,702	\$634,702	\$-0-	\$634,702
#Employ	19	19	19	19	-0-	19

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Personnel:

The same positions are recommended to continue from this fiscal year to FY27. The Committee notes with displeasure, however, that of these positions 16 have salaries that are misstated and increased in the President's Budget Book. Here again your Committee strongly reiterates its statement that it will not be raising salaries. The Committee is recommending the Personnel budget of this fiscal year in the amount of \$475,697 for FY27, and strongly urges the remaining available Compact Health Sector grant of \$27,255 be used only in the case of overtime/hazard duty compensation. It is hoped that in future years the budget process ensures the Office of Personnel lists are examined closely.

The Nation is facing many challenges regarding the safety of food and water. The Committee urges the Department of Health and Social Affairs, and specifically this Division, to coordinate with those departments and agencies to prepare for future disasters and disaster recovery efforts. Relevant personnel from across the Executive branch should be working together now to be prepared for future challenges. Your Committee is concerned that more frequent and severe climate change driven weather events will cause significant loss of property and life if the efforts of all stakeholders are not improved. This is another area where the Committee will be doing oversight in the coming months.

In consideration of the commentary above, **your Committee recommends \$502,952 for the Personnel category for the Environmental Health Unit for FY27, to be funded in its entirety from Compact Health Sector grant.**

Travel:

The Committee is supportive of the training and certification activities in our four States that are proposed for the trips in the Budget Book. Continuing education and sharing of knowledge is important for this Unit. Your Committee expects to see a summary of all activities at the mid-fiscal year review.

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To align with above statement, **your Committee recommends \$59,000 for the Travel category for the Environmental Health Unit for FY27, to be funded in entirety from Compact Health Sector grant.**

Contractual Services:

The majority of this category is designated for a lease for office space. There are a growing number of contracts for office space that the National Department of Health and Social Affairs is now responsible for. At the next session of Congress oversight will be conducted by the Committee. It is now requesting the Department of Health and Social for all the lease agreements it is responsible for. These should be made available to your Committee for review and an explanation of where the space is, who is working in it and why these many different spaces are necessary. As this has been pre-approved during early JEMCO meeting the Committee agrees to the amounts and uses as provided by the witnesses at this time for this category for the Environmental Health Unit.

For the reasons above, **your Committee recommends \$27,750 for the Contractual Services category for the Environmental Health Unit for FY27, to be funded in its entirety from Compact Health Sector grant.**

Other Current Expenditures:

This category is recommended for an increase for the coming fiscal year. Your Committee has seen significant increases in prices, as noted in other sections, and is appreciative of the recognition of this during the JEMCO process. It therefore concurs with the President's recommendation.

Following the above commentary, **your Committee recommends \$45,000 for the Other Current Expenditures category for the Environmental Health Unit for FY27, to be funded in its entirety from Compact Health Sector grant.**

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Fixed Assets:

The President did not recommend funding for this category for the coming fiscal year and your Committee concurs with this decision, therefore, **it recommends -0- funding for the Fixed Assets category for the Environmental Health Unit for FY27.**

In acknowledgement of the commentary above, your Committee recommends \$634,702 for the Environmental Health Unit for FY27, to be funded in its entirety from Compact Health Sector grant.

F. The Competent Authority

	FY26 Approp.	FY27 Dept. Proposed	FY27 President Recommend	FY27 Committee Recommend	Domestic Revenue	Compact Sector Grant
Personnel	N/A	\$104,220	\$96,220	\$96,220	\$96,220	\$-0-
Travel	N/A	\$18,000	\$18,000	\$18,000	\$18,000	\$-0-
Contract	N/A	\$7,200	\$7,200	\$7,200	\$7,200	\$-0-
OCE	N/A	\$132,120	\$92,120	\$92,120	\$92,120	\$-0-
Fixed Assets	N/A	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-
Total	N/A	\$261,540	\$213,540	\$213,540	\$213,540	\$-0-
#Employ	N/A	4	4	4	4	-0-

Personnel:

The personnel salaries and Grade/Step are correct in the Budget Book for FY27. A representative for the Office of Personnel was present at the hearing and the current employee list was reviewed at that time. The Competent Authority Unit is another section of the Department of Health and Social Affairs that the Committee would like to conduct oversight at the earliest time. Your Committee understands the importance of the work done here, but would especially like to be informed about how this is integrated with other departments and agencies so that there are no gaps or duplications.

In consideration of the above commentary, your Committee recommends \$96,220 in the Personnel category for the Competent

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Authority Unit for FY27, to be funded in its entirety from Domestic Revenue.

Travel:

The modest budget for travel is recommended to remain the same as in previous fiscal years. The Committee appreciates the dedication to the necessary work and to restraint in this category, and agrees with this recommendation.

For the reasons stated above, your Committee recommends \$18,000 in the Travel category for the Competent Authority Unit for FY27, to be funded in its entirety from Domestic Revenue.

Contractual Services:

There is one item listed under this category and it is another rental space agreement. As noted in the above section Your Committee intends to examine all of these leases and review the office space/office facility plans in the near future. At this time however, this Committee recognizes that any planning changes would take additional funding which is simply not available. The Committee will schedule this review at the beginning of the new fiscal year.

To align with the above, your Committee recommends \$7,200 for the Contractual Services category for the Competent Authority Unit for FY27, to be funded in its entirety from Domestic Revenue.

Other Current Expenditures:

As this Unit has been separated from a larger Division the total budget was not readily discernable in the Budget Book. When the witnesses were questioned it was confirmed that the recommendation for laboratory work to identify possible toxins, including heavy metals in the fish has actually been decreased. The Department stated that they had proposed more funding for this item but the President had recommended the decrease. The Committee has many times in this report lamented the lack of

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financial resources to fund fully even the most important areas, but it is very concerned here. If there is additional funding available during the next fiscal year it will entertain an increase here. Unfortunately, at the present time it feels it has no choice but to accept the President's recommendation.

To align with the above commentary, **your Committee recommends \$92,120 for the Other Current Expenditures for the Competent Authority Unit for FY27, to be funded in its entirety from Domestic Revenue.**

Fixed Assets:

There is no recommendation from the President for funding in this category, and your Committee concurs, therefore, **it recommends -0- funding for the Fixed Asset category for the Competent Authority Unit for FY27.**

For the reasons stated above in its commentary, your Committee recommends \$213,540 for the Competent Authority Unit for FY27, to be funded in its entirety from Domestic Revenue.

G. Division of Social Affairs

	FY26 Appropriated	FY27 Depart. Recommended	FY27 President Recommend	FY27 Committee Recommend
Personnel	\$-0-	\$65,762	\$65,762	\$61,043
Travel	\$-0-	\$156,768	\$94,178	\$25,000
Contract	\$-0-	\$-0-	\$-0-	\$-0-
OCE	\$-0-	\$-0-	\$-0-	\$-0-
Fixed Assets	\$-0-	\$35,000	\$35,000	\$-0-
Total	\$-0-	\$257,530	\$194,940	\$86,043
# Employees		2	2	2

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Personnel:

The two positions for the Division of Social Affairs are misstated in the Budget Book. According to the Office of Personnel the Assistant Secretary position is Grade 42 Step 1 at \$32,295 which is less than represented in the Budget Book. The position of Division Financial Specialist is Grade 32 Step 1 at \$18,361 which is also less than represented in the Budget Book. The Committee adjusts these two positions to the rightful levels. The proper total for personnel is \$61,043. Your Committee, however, does agree that both positions are necessary to the organization, the operation of the Division of Social Affairs and support of the U.S. federally funded programs.

With the above cited revision, **your Committee recommends \$61,043 for the Personnel category for the Division of Social Affairs for FY27, to be funded in its entirety from Domestic Revenue.**

Travel:

The President is recommending a very large budget for Travel to be used exclusively by the Assistant Secretary for the coming FY27. Many of the trips recommended for FY27 are international in nature. The Committee takes exception with this recommendation. First, the significant increase in travel will take the Assistant Secretary away from her duty station frequently at a time when oversight regarding matters under her jurisdiction is much needed. Second, the proposed travel is all to be funded from Domestic Revenue. This a time in our Nation when difficult financial decisions are being made. Your Committee strongly believes that there are other items for possible inclusion in the FY27 budget that are more worthy of financial support at this time.

The Committee is recommending some travel, but only those trips within the FSM. The sub-divisions under the Division of Social Affairs need to move forward. Vacancies need to be filled, activities need to be planned and executed, legislation and

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regulation drafted and implemented. This is work that needs to be done at the local level.

For the above stated reasons, **your Committee recommends \$25,000 for the Travel category for the Division of Social Affairs for FY27, to be funded in its entirety from Domestic Revenue.**

Contractual Services:

The President does not recommend funding for this category, **your Committee concurs with the President's recommendation of -0- for funding for the Contractual Services category for the Division of Social Affairs for FY27.**

Other Current Expenditures:

The President does not recommend funding for this category, **your Committee concurs with the President's recommendation of -0- for funding for the Other Current Expenditures for the Division of Social Affairs for FY27.**

Fixed Assets:

The President recommends funding for a vehicle for this Division in the amount of \$35,000 for FY27. The Committee notes that there are many functioning vehicles with the Department of Health and Social Affairs, including those for use by the U.S. federally funded programs. Rather than purchasing additional vehicles the Committee would like to see more maintenance done on existing vehicles, and a review of fuel use to effectively utilize what is currently with the Department. The Committee would like a detailed list of the vehicles with the Department before it goes further with this request.

In line with comments above, **your Committee recommends -0- for Fixed Assets for the category of Fixed Assets for the Division of Social Affairs for FY27.**

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To align with the above commentary, your Committee recommends \$86,043 for the Division of Social Affairs for FY27, to be funded in its entirety from Domestic Revenue.

H. Gender Development Unit

	FY26 Appropriated	FY27 Depart. Proposed	FY27 President Recommended	FY27 Committee Recommended
Personnel	\$34,429	\$34,429	\$34,429	\$25,861
Travel	\$17,000	\$69,124	\$61,124	\$48,534
Contract	\$5,000	\$-0-	\$-0-	\$-0-
OCE	\$16,000	\$43,000	\$16,000	\$16,000
Fixed Assets	\$-0-	\$-0-	\$-0-	\$-0-
Total	\$72,429	\$146,553	\$111,553	\$90,395
# Employees	1	1	1	1

Personnel:

The Budget Book incorrectly states the base salary for the position in the Gender Development Unit. The Budget Book lists this as Grade 38 Step 1 at \$29,034 plus benefits and COLA. The Office of Personnel has this position listed and paid at Grade 38 Step 1 at \$24,821 for the base plus benefits and COLA for \$25,861.

The Committee strongly urges more oversight when preparing the Budget Book as several positions are listed incorrectly when compared to their current salary, Grade/Step and benefits with the Office of Personnel. In this time of financial challenges your Committee is making every attempt to ensure that all categories, including that of personnel, are budgeted correctly to prevent large carryovers from year to year.

In line with the above recalculations, your Committee recommends \$25,861 for the Personnel category of the Gender Development Unit for FY27, to be funded in its entirety from Domestic Revenue.

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Travel:

The President is recommending a very large increase in Travel for the Gender Development Unit. The Committee welcomes more work being done in the four States and appreciates trips to work with gender development leaders and partners proposed for the Gender Officer. However, the Committee believes that work should be done domestically and disfavors international travel at this time. This is especially so as hard financial choices must be made to accommodate necessary items such as vaccines. At this time the Committee is only recommending funding for domestic travel. If the financial situation changes mid-year in FY27 the Committee will entertain increasing the budget for this category.

In consideration of the commentary above, **your Committee recommends \$48,534 for the Travel category of the Gender Development Unit for FY27, to be funded in its entirety from Domestic Revenue.**

Contractual Services:

The President has not recommended any funding for this category, and the Committee concurs, therefore, **it recommends -0- funding for the Contractual Services category for the Gender Development Unit for FY27.**

Other Current Expenditures:

The items in this category are recommended by the President to remain the same with the same budgets. Your Committee agrees with this assessment.

The above stated reason, **your Committee recommends \$16,000 for the category of Other Current Expenditures for the Gender Development Unit for FY27, to be funded in its entirety from Domestic Revenue.**

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Fixed Assets:

The President has not recommended any funding for this category, and the Committee concurs, therefore, **it recommends -0- funding for the Fixed Assets category for the Gender Development Unit for FY27.**

In alignment with the above commentary, your Committee recommends \$90,395 for the Gender Development Unit for FY27, to be funded in its entirety from Domestic Revenue.

I. Sports Development & Physical Activity

	FY26 Appropriated	FY27 Depart. Proposed	FY27 President Recommended	FY27 Committee Recommended
Personnel	\$34,429	\$53,699	\$53,699	\$34,429
Travel	\$20,666	\$88,526	\$41,178	\$41,178
Contract	\$5,340	\$10,340	\$5,340	\$5,340
OCE	\$17,375	\$58,000	\$17,375	\$17,375
Fixed Assets	\$-0-	\$-0-	\$-0-	\$-0-
Total	\$77,810	\$210,565	\$117,592	\$98,322
# Employees	1	2	2	1

Personnel:

The Sports Development & Physical Activity Unit has been slow in developing. There had been a vacancy for the coordinator position for a long time. For this new fiscal year a second position has been recommended to take up the role of assistant. The Committee strongly urges more work be done to support sports in the fight against non-communicable diseases. It is also at this time support the national and regional sports games to motivate young athletes coming up and inspire all our citizens. Having stated this the Committee is reviewing all new positions with a critical eye, especially those positions that will be using Domestic Revenue. The Nation is facing serious financial issues and in the opinion of the Committee it is not time to take on any more permanent obligations of the type that hiring

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of a Public Service System employee presents. Once additional funds are available the Committee may be more willing to approve a new position but this does not make sense at this time.

In consideration of the above comments, **your Committee recommends \$34,429 for the Personnel category of the Sports Development & Physical Activity Unit for FY27, to be funded in its entirety from Domestic Revenue.**

Travel:

There is significant increase recommended for this category for the coming fiscal year. Your Committee has disfavored increases in travel as a general rule, however, this increase will support work done in our four States. In particular, the Committee appreciates the proposed support for youth sports games. As it has stated in several sections the Committee would like the Department of Health and Social Affairs to move the prevention of disease and illness to the highest priority. Therefore, the Committee is satisfied with the necessity of this increased budget and recommends it be approved.

For the above stated reasons, **your Committee recommends \$41,178 for the Travel category of the Sports Development & Physical Activity Unit for FY27, to be funded in its entirety from Domestic Revenue.**

Contractual Services:

The Committee appreciates the recommendation that this category remain at the same funding level as in previous years. The Department has benefited from an increased influx of Compact Health Sector grant funding and has no reason to doubt that the current amount of funding here can not be maintained.

To align with the above comment, **your Committee recommends \$5,340 for the Contractual Services category for the Sports Development & Physical Activity Unit for FY27, to be funded in its entirety from Domestic Revenue.**

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Other Current Expenditures:

This category is also recommended for FY27 at the current budget level. Here again the Committee agrees with no increase in order to maintain financial discipline in our National government.

As stated above, your Committee recommends \$17,375 for the Other Current Expenditures category for the Sports Development & Physical Activity Unit for FY27, to be funded in its entirety from Domestic Revenue.

Fixed Assets:

The President is not recommending funding for this category for FY27, the Committee concurs, and therefore, it recommends -0- for the Fixed Assets category for the Sports Development & Physical Activity Unit for FY27.

In accordance with the above commentary, your Committee recommends \$98,322 for the Sports Development & Physical Activity Unit for FY27, to be funded in its entirety from Domestic Revenue.

J. Youth Support Services

	FY26 Appropriated	FY27 Depart. Proposed	FY27 President Recommended	FY27 Committee Recommended
Personnel	\$34,429	\$34,429	\$34,429	\$34,429
Travel	\$3,000	\$53,356	\$32,356	\$32,356
Contract	\$7,340	\$2,340	\$2,340	\$2,340
OCE	\$7,250	\$32,000	\$7,250	\$7,250
Fixed Assets	\$-0-	\$-0-	\$-0-	\$-0-
Total	\$52,019	\$122,125	\$76,375	\$76,375
# Employees	1	1	1	1

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Personnel:

There is only one position requested for this Youth Support Services Unit and it has been under- utilized. As in the previous section your Committee emphasizes that the importance of this work is requires extra commitment from these programs. The Nation needs to meet the challenges posed by non-communicable disease. The Committee would like to see the reports mid-year with activities and real achievements. Your Committee supports this position and program.

For the reasons stated above, **your Committee recommends \$34,429 for the Personnel category for the Youth Support Services Unit for FY27, to be funded in its entirety from Domestic Revenue.**

Travel:

The Youth Support Services Unit is an important program and supports our Nation's youth as they meet the many difficult challenges to maintaining a healthy lifestyle. As stated in the commentary in several sections much more needs to be done with our youth programs in order for them to have better outcomes than older generations. The increase in travel here is proposed to support programs and activities in the four States and your Committee strongly supports this.

As commented on above, **your Committee recommends \$32,356 for the Travel category for the Youth Support Services Unit for FY27, to be funded in its entirety from Domestic Revenue.**

Contractual Services:

There is a proposed reduction for this category for the coming FY27. This is welcomed by the Committee as lease and rental contracts have increase in several other divisions, and will be funded by the Compact Health Sector grant. The Committee defers to the President and the Department of Health and Social Affairs regarding funding for this category.

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In consideration of the above comment, **your Committee recommends \$2,340 for the Contractual Services category for the Youth Support Services Unit for FY27, to be funded in its entirety from Domestic Revenue.**

Other Current Expenditures:

The President recommends maintaining the same budget for this category for the coming FY27. The Committee agrees with this recommendation. Operations expenses have been recommended for an increase in other divisions and these have largely been proposed to be funded by Compact Health Sector grant funding.

To align with the above comment, **your Committee recommends \$7,250 for the Other Current Expenditures category for the Youth Support Services Unit for FY27, to be funded in its entirety from Domestic Revenue.**

Fixed Assets:

The President recommends no funding for this category and your Committee concurs, and therefore, **it recommends -0- funding for the Fixed Assets category for the Youth Support Services Unit for FY27.**

In consideration of the above comments, **your Committee recommends \$76,375 for the Youth Support Services Unit for FY27, to be funded in its entirety from Domestic Revenue.**

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K. Child Protection Services

	FY26 Appropriated	FY27 Depart. Proposed	FY27 President Recommended	FY27 Committee Recommended
Personnel	\$34,429	\$34,429	\$34,429	\$25,861
Travel	\$4,680	\$7,680	\$4,680	\$4,680
Contract	\$7,340	\$2,340	\$2,340	\$2,340
OCE	\$9,000	\$18,000	\$9,000	\$9,000
Fixed Assets	\$-0-	\$-0-	\$-0-	\$-0-
Total	\$55,449	\$62,449	\$50,449	\$41,881
# Employees	1	1	1	1

Personnel:

This line item is incorrect for the one position that is listed for FY27. The current information from the Office of Personnel is that the National Child Protection Coordinator is Grade 38 Step 1 and the salary, including benefits and COLA is \$25,861. The Committee corrects this number in its recommendation.

As commented on above, **your Committee recommends \$25,861 for the Personnel category for the Child Protection Services Unit for FY27, to be funded in its entirety from Domestic Revenue.**

Travel:

The Committee appreciates the President's recommendation that travel remain at the same level and that only domestic travel is recommended. Therefore, concurring with the President, **your Committee recommends \$4,680 for the Travel category for the Child Protection Services Unit for FY27, to be funded in its entirety from Domestic Revenue.**

Contractual Services:

Your Committee concurs with the President's recommendation to maintain the same funding level as in the current fiscal year, and therefore, **it recommends \$2,340 for the Contractual Services**

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category of the Child Protection Services Unit for FY27, to be funded in its entirety from Domestic Revenue.

Other Current Expenditures:

The Committee again concurs with the President in keeping the budget for this line item the same as in previous fiscal years, and therefore, **your Committee recommends \$9,000 for Other Current Expenditures for the Child Protection Services Unit for FY27, to be funded in its entirety from Domestic Revenue.**

Fixed Assets:

The President does not recommend any funding in this category, and the Committee concurs, therefore, **it recommends -0- funding for the Fixed Assets category for the Child Protection Services Unit for FY27.**

In consideration of the above adjustments, your Committee recommends \$41,881 for the Child Protection Services Unit for FY27, to be funded in its entirety from Domestic Revenue.

L. Disability & Elderly Services

	FY26 Appropriated	FY27 Depart. Proposed	FY27 President Recommended	FY27 Committee Recommended
Personnel	\$34,429	\$34,429	\$34,429	\$27,192
Travel	\$4,680	\$53,356	\$16,178	\$9,360
Contract	\$2,340	\$2,340	\$2,340	\$2,340
OCE	\$8,000	\$16,000	\$8,000	\$8,000
Fixed Assets	\$-0-	\$-0-	\$-0-	\$-0-
Total	\$49,449	\$106,125	\$60,947	\$46,892
# Employees	1	1	1	1

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Personnel:

The position of Disability & Elderly Services Coordinator has a salary that is misstated in the Budget Book. The current salary, according to the Office of Personnel listing, including benefits and COLA is \$27,192 for a Grade 38 Step 4. The Committee recommends the Office of Personnel listed number. The Committee reiterates that it will continue to amend the totals for all positions to reflect their current correct Grade/Step and salary. It is hoped that in the next budget cycle more attention is brought to cross checking the proposed departments budgets with the Office of Personnel when compiling the final Executive budget recommendations.

In consideration of the above comments, **your Committee recommends \$27,192 for the Personnel category for the Disability & Elderly Services Unit for FY27, to be funded in its entirety from Domestic Revenue.**

Travel:

The President is recommending an almost 400% increase in the travel budget for this coming FY27. While the Committee understands that more travel domestically may be needed to support work done in this area it believes that two trips per year with appropriate virtual meetings should be sufficient to support the work at the local level. Should there be additional funding available mid FY27 the Committee may entertain a request to increase this budget if it finds real need.

To align with the comments above, **your Committee recommends \$9,360 for the Travel category for the Disability & Elderly Services Unit for FY27, to be funded in its entirety from Domestic Revenue.**

Contractual Services:

The Committee welcomes the President's recommendation to maintain the same budget for this category for the coming fiscal

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year, and therefore, **your Committee recommends \$2,340 for the Contractual Services category for the Disability & Elderly Services Unit for FY27, to be funded in its entirety from Domestic Revenue.**

Other Current Expenditures:

Your Committee again reiterates its appreciation for the President's recommendation of the same budget for this category for the coming fiscal year, and therefore, **your Committee recommends \$8,000 for the Other Current Expenditures category for the Disability & Elderly Services Unit for FY27, to be funded in its entirety from Domestic Revenue.**

Fixed Assets:

Your Committee concurs with the President's recommendation of - 0- funding for the Fixed Assets category for the Disability & Elderly Services Unit for FY27.

In consideration of the above adjustments, your Committee recommends \$46,892 for the Disability & Elderly Services Unit for FY27, to be funded in its entirety from Domestic Revenue.

M. Human Rights & Social Development

	FY26 Appropriated	FY27 Depart. Proposed	FY27 President Recommended	FY27 Committee Recommended
Personnel	\$34,429	\$34,429	\$34,429	\$25,861
Travel	\$4,680	\$58,178	\$16,178	\$9,360
Contract	\$-0-	\$2,340	\$2,340	\$2,340
OCE	\$3,000	\$16,000	\$3,000	\$3,000
Fixed Assets	\$-0-	\$-0-	\$-0-	\$-0-
Total	\$42,109	\$105,947	\$55,947	\$40,561
# Employees	1	1	1	1

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Personnel:

The position of Human Rights & Social Affairs Coordinator is listed in the current listing from the Office of Personnel as a Grade 38 Step 1 with a salary, including benefits and COLA of \$25,861. Your Committee is recommending this number rather than that stated in the President's Budget Book. The Committee has not heard from this program and is looking forward to an update from the Coordinator regarding the activities and the liaison with the Department of Justice.

In line with the above comments, **your Committee recommends \$25,861 for the Personnel category for the Human Rights & Social Development Unit for FY27, to be funded in its entirety from Domestic Revenue.**

Travel:

As stated in previous sections the Committee is very supportive of targeted domestic travel to support our programs at the local level. However, even domestic travel should be planned to achieve the most benefit with the fewest number of visits. The Committee is willing to recommend two trips to the four States to do monitoring and training activities in the coming fiscal year. In these challenging financial conditions the Committee urges the Department to do as much as possible on each visit and use virtual meetings to conduct any follow up on activities and further monitoring.

To align itself with the above reasoning, **your Committee recommends \$9,360 for the Travel category for the Human Rights & Social Development Unit for FY27, to be funded in its entirety from Domestic Revenue.**

Contractual Services:

The Committee concurs with the President regarding maintaining the same funding for the coming fiscal year for this category, and therefore, **your Committee recommends \$2,340 for the Contractual Services category for the Human Rights & Social**

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Development Unit for FY27, to be funded in its entirety from Domestic Revenue.

Other Current Expenditures:

The Committee is pleased to see that the operations budget is recommended by the President to remain the same as in previous fiscal years, and therefore, **your Committee recommends \$3,000 for the Other Current Expenditures category for the Human Rights & Social Development Unit for FY27, to be funded in its entirety from Domestic Revenue.**

Fixed Assets:

The President does not recommend funding for this category and your Committee agrees, therefore, **it recommends -0- for the Fixed Assets category for the Human Rights & Social Development Unit for FY27.**

In consideration of all of the above comments, your Committee recommends \$40,561 for the Human Rights & Social Development Unit for FY27, to be funded in entirety from Domestic Revenue.

2. NATIONAL ARCHIVES, HISTORIC PRESERVATION

A. Office of National Archives and Historic Preservation

	FY26 Appropriated	FY27 Depart. Proposed	FY27 President Recommended	FY27 Committee Recommended
Personnel	\$238,537	\$228,770	\$228,537	\$228,537
Travel	\$18,970	\$30,210	\$30,210	\$30,210
Contract	\$10,425	\$15,425	\$10,425	\$15,425
OCE	\$20,289	\$22,289	\$20,289	\$20,289
Fixed Assets	\$7,000	\$7,000	\$-0-	\$7,000
Total	\$295,221	\$303,694	\$289,694	\$301,461
# Employees	7	7	7	7

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Personnel:

The Committee appreciates the modest budget submitted by the Office of National Archives and Historic Preservation. The Office confirmed that the positions and salaries remain the same as in previous fiscal years. The activities also remain the same.

For this reason, **your Committee recommends \$228,537 for the Personnel category for the Office of National Archives and Historic Preservation for FY27, to be funded in its entirety from Domestic Revenue.**

Travel:

There is a large increase recommended by the President for the Travel category for FY27. The Office explained that there will be significant training going on during this next year. All of the new recommended travel will be domestically within the FSM. As the proposed travel will directly benefit the people of our Nation and the overall budget under the Committee jurisdiction will actually slightly decrease for the coming FY27 your Committee also recommends this increase.

In consideration of the above comments, **your Committee recommends \$30,210 for the Travel category of the Office of National Archives and Historic Preservation for FY27, to be funded in its entirety from Domestic Revenue.**

Contractual Services:

The President has recommended the same budget for the same line items for FY27 as in previous years. The Office has been making requests for additional funding for UNESCO meetings and other expenses for hosting events for several years now. These expenses are due to hosting events for outside dignitaries and other important visitors. In order to represent the Nation well and to promote tourism it is necessary to do these events well. The Committee sees the direct benefits to increasing funding by this modest amount of \$5,000 to \$10,425 for FY27.

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In light of the above commentary, **your Committee recommends \$15,425 for Contractual Services for the Contractual Services of the Office of National Archives and Historic Preservation for FY27, to be funded in its entirety from Domestic Revenue.**

Other Current Expenditures:

This category is also recommended by the President to remain at the same budget level for FY27 as in previous years. The Committee sees no reason to deviate from this recommendation.

For this reason, **your Committee recommends \$20,289 for the category of Other Current Expenditures for the Office of National Archives and Historic Preservation for FY27, to be funded in its entirety from Domestic Revenue.**

Fixed Assets:

The President does not recommend funding for this category for FY27, however, the Committee was reminded that the Office has requested funding for glass cabinet cases several times, but was always denied. Since the relocation of the Office to KAMORALE Convention Center the desire to display items of cultural and historic importance has grown. The new convention center is in need of items that represent the Nation and all its rich cultural heritage organized in a manner that is assessable to the public. Again, the request is of a very modest amount, seven thousand dollars, and this has a direct impact on the hospitality offered at the highest levels.

For the reasons set forth above, **your Committee recommends \$7,000 for the category of Fixed Assets for the Office of National Archives and Historic Preservation for FY27, to be funded in its entirety from Domestic Revenue.**

After the above adjustments for each category, **your Committee recommends \$301,461 for the total budget for the Office of National Archives and Historic Preservation for FY27, to be funded in its entirety from Domestic Revenue.**

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The Committee reiterates that the Historic Preservation Fund & Institute of Museum & Library are funded by a separate grant and have a different approval process, therefore, are not made part of this budget recommendation.

3. GRANTS, SUBSIDIES & CONTRIBUTIONS

A. Department of Health and Social Affairs

	FY26 Appropriated	FY27 Depart. Proposed	FY27 President Recommended	FY27 Committee Recommended
UNFPA	\$3,000	\$3,000	\$3,000	\$3,000
WHO	\$4,790	\$10,000	\$10,000	\$10,000
PIHOA	\$20,000	\$20,000	\$20,000	\$20,000
ASTHO	\$4,000	\$4,000	\$4,000	\$4,000
Medical Licensing	\$90,000	\$100,000	\$100,000	\$100,000
FSM Red Cross	\$97,000	\$97,000	\$97,000	\$97,000
UNICEF- TB drugs/vaccines	\$50,000	\$50,000	\$50,000	\$50,000
UN-FSM Women CEDAW	\$1,000	\$1,000	\$1,000	\$1,000
Drug Testing	\$3,000	\$30,000	\$30,000	\$30,000
HPV Vaccine	\$240,000	\$500,000	\$-0-	\$250,000
Pohnpei Echo Lab- RHD	\$-0-	\$-0-	\$-0-	\$50,000
Fee Convention Tabacco Control	\$-0-	\$114	\$114	\$114
WHO Membership	\$-0-	\$20,000	\$20,000	\$20,000
Women's Conference	\$120,000	\$160,000	\$-0-	\$120,000
Vendor arrears	\$-0-	15,000	15,000	15,000
Total	\$512,790	\$1,010,114	350,114	770,114

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The majority of the items in this category have remain recommended for the same funding as in previous years. The Committee understands the enormous pressure that the President and the Executive branch have in producing a balanced budget for this coming fiscal year. It appears that in an effort to do this task the President has made the hard decision to cut the funding for the HPV vaccine for FY27. The Committee is very concerned that the roll out of this vaccine goes unhindered. The stopping and starting of vaccination efforts will only lead to lower and may send the message that this is not important to the public leading to further vaccination hesitation.

Your Committee is also very concerned with fiscal discipline and has decided to recommend changes to the proposals in the Budget Book for a specific purpose. As noted in several sections above your Committee has recommended a reduction in travel, particularly in international travel, for several divisions of the Department of Health and Social Affairs. It has also adjusted downward salaries that were incorrectly stated with increases, as well as, one new position that was not recommended by the Committee. The total recommended reductions as compared to the Budget Book is \$168,979.

There were many issues and statistics that informed the Committee during this decision-making process. It is hoped additional funding will be available at some point in the next fiscal year so that more vaccines can be made available for the effort to fully protect our youth. However, for now the Committee is recommending only \$250,000 for HPV vaccines to get the FY27 started. Should more funding become available additional funding for the HPV vaccine program will be top on this Committee's priority list for funding. A second addition of \$50,000 is recommended for Pohnpei Echo Lab for the Rheumatic Heart Disease screen for schools as provided by a team and Dr. Payne Perman. This is a separate item for the screening work and should not be confused with work that school nurses and public health do to distribute drugs to the affected children. A third item has been added to fund the Women's Conference. This is a long standing and necessary conference. The Committee is

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recommending that it be funded at the previous level, \$120,00, for FY27.

As noted above if more funding is available the Committee may be willing to revisit the travel budgets of some or all of the Department's divisions. However, the reality at this time is difficulty choices must be made for the foreseeable future and the Committee strongly believes it must do everything possible to ensure that the HPV vaccination effort and RHD screening continues in our Nation.

To align with above commentary, your Committee recommends \$770,114 for the Grants, Subsidies & Contributions for the Department of Health and Social Affairs for FY27, to be funded in its entirety from Domestic Revenue.

B. Office of National Archives, Historic Preservation

	FY26 Appropriated	FY27 Depart. Proposed	FY27 President Recommended	FY27 Committee Recommended
UNESCO fee	\$4,000	\$4,000	\$4,000	\$4,000
NCSHPO	\$2,760	\$2,760	\$2,760	\$2,760
PARBICA	\$100	\$100	\$100	\$100
PIALA	\$100	\$100	\$100	\$100
WHC	\$54	\$54	\$54	\$54
Library fee	\$50	\$50	\$50	\$50
Total	\$7,064	\$7,064	\$7,064	\$7,064

The fees for organization memberships for the Office of National Archives, Historic Preservation has remained the same for many years. The Committee appreciates the maintenance of this modest request through the years.

In accordance with the above statement, your Committee recommends \$7,064 for the Grants, Subsidies and Contributions for the Office of National Archives, Historic Preservation for FY27, to be funded in its entirety from Domestic Revenue.

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C. Other Resources

	FY26 Appropriated	FY27 Depart. Proposed	FY27 President Recommended	FY27 Committee Recommended
FSM Social Security	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
MiCare Insurance	\$1,000,000	\$-0-	\$-0-	\$1,000,000
Total	\$2,000,000	\$1,000,000	\$1,000,000	\$2,000,000

FSM Social Security Administration

Your Committee has had several hearings with the FSM Social Security Administration regarding pending legislation and there has been information provided by the Administration regarding the current financial situation of the program. However, with all of these meeting the Committee does not have a full picture of what to expect in the next five years. Based on the demographics the Nation will have more retirement age citizens and fewer of working age and the Committee assumes that this will put even more pressure on the program over time. It is hoped that during the coming year the Administration will present a clear picture as to how much additional funding will be necessary to keep benefits at their current rates. It is also hoped that a larger term projection will be produced with planning that would anticipate any future changes that may be necessary.

In the meantime, the Committee understands that additional funding will be necessary for the FSM Social Security Administration for the coming fiscal year and agrees to the President's recommendation.

In consideration of the above comments, **your Committee recommends \$1,000,000 for the FSM Social Security Administration for FY27, to be funded in its entirety from Domestic Revenue.**

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MiCare Insurance

During the May hearings MiCare gave a very informative overview of the planned reorganization of the program and a comprehensive review of the financial situation to date. From the information provided it the Committee is pleased with the proactive stance MiCare has taken in the face of its financial, logistical and development challenges. The full presentation is available with the Committee for Members review.

It was understood during the hearing with MiCare that the program could really benefit from funding support by the National government. It faces a dire situation as premiums are not increasing in step with rising healthcare costs. In many cases an urgent off-island referral wait weeks or even months because the MiCare system does not have the funding needed.

The Committee is very satisfied with the work that MiCare is doing, however, they need support from the National government. As President has not recommended funding for FY27 for MiCare, your Committee believes it must step in to ensure that our citizens continue to be able to access healthcare.

In line with the above commentary, **your Committee recommends \$1,000,000 funding MiCare Insurance for FY27, to be funded in its entirety from Domestic Revenue.**

4. CAPITAL IMPROVEMENT & HUMAN RESOURCE DEVELOPMENT

A. Department of Health and Social Affairs

	FY26 Appropriated	FY27 Depart. Proposed	FY27 President Recommended	FY27 Committee Recommended
Medical Specialist Team	\$50,000	\$100,000	\$-0-	\$100,000
MOE-BHWP	\$-0-	\$100,000	\$-0-	\$-0-
Rheumatic Heart Program	\$185,000	\$80,000	\$50,000	\$50,000

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School Nurses Program	\$-0-	\$70,000	\$70,000	\$70,000
Food & Water Laboratory	\$45,000	\$100,000	\$50,000	\$100,000
Histopathology & Diagnostic	\$100,000	\$200,000	\$200,000	\$200,000
Conference BPMA	\$30,000	\$-0-	\$-0-	\$-0-
Youth in Sports	\$120,000	\$200,000	\$120,000	\$200,000
Anti-Doping Agency	\$30,000	\$30,000	\$-0-	\$30,000
Pharma System Strengthening	\$50,000	\$120,000	\$50,000	\$50,000
Competent Authority	\$75,000	\$-0-	\$-0-	\$-0-
4 th FSM Games	\$-0-	\$700,000	\$600,000	\$600,000
Total	\$685,000	\$1,700,000	\$1,140,000	\$1,400,000

The Committee understands and supports the significant funding involved in funding our Nation's sporting event. At a time when poor diet and lack of exercise are causing enormous health burdens in our population efforts must be done to promote healthy lifestyles. Your Committee does support the 4th FSM Games but requests regular updates regarding the planning and schedules for this event.

The only adjustment to the Budget Book your Committee recommends is increasing the funding for the laboratory used for testing food and water back to its current fiscal year level of \$100,000. The Environmental Health Unit and all departments and agencies that are concerned with water need support from this laboratory. The health of our citizens depends on their access to safe water and food. The Committee is strongly recommending the maintenance of this current fiscal year's budget level.

The Committee also strongly believes in the power of exercise and sports to prevent non-communicable disease. It recommends

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additional funding for the Youth in Sports program. It now recommends \$200,000 for this line item for FY27.

In previous years your Committee has strongly supported funding for specialized medical teams to travel to the FSM and provide medical treatment and surgery not available. There continues to be gaps in our ability to provide care. We are fortunate that many volunteer groups donate their time and equipment to aid our citizens. It is important that we can supply matching funding and are able to fully fund a small team through our own domestic revenue. It is for these reasons that the Committee is recommending \$100,000 for this item for FY27.

In consideration of the commentary above, your Committee recommends \$1,400,000 for the Capital Improvement & Human Resource Development section for the Department of Health and Social Affairs for FY27, to be funded in its entirety from Domestic Revenue.

Conclusion

Your Committee on Health and Social Affairs has carefully reviewed the President's Recommended Fiscal year 2027 budget and all the supplemental information provided by the Executive and the entities within your Committee's jurisdiction. The recommended sums set forth above reflect your Committee's recommendations on the level of funding the designated activity, program or project for all of the coming Fiscal Year 2027.

Subject to the conditions and limitations set forth herein, and subject to the concurrence of your Committee on Ways and Means, your Committee on Health and Social Affairs recommends approval of the amounts and sources of funds identified as Committee Recommendations.

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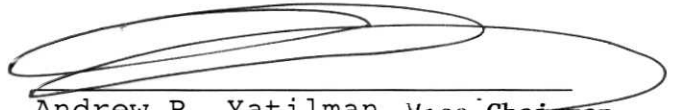
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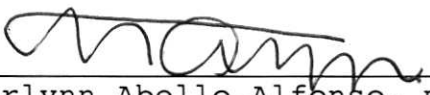
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Respectfully submitted,

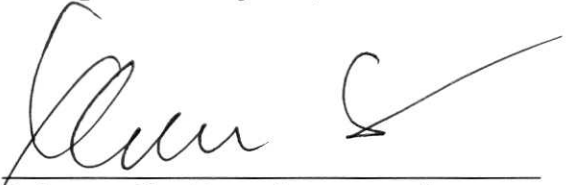

Perpetua S. Konman, chairwoman


Andrew R. Yatilman, Vice Chairman


Merlynn Abello-Alfonso, member


Yoslyn G. Sigrah, member


Tiwiter Aritos, member


Robson U. Romolow, member


Jermy W. Mudong, member