



CONGRESS OF THE FEDERATED STATES OF MICRONESIA

P.O. Box PS 3
Palikir, Sokehs
Pohnpei State, FM 96941
Tel: (691) 320-2324 / 2338
Fax: (691) 320-5122

COMMITTEE ON
RESOURCES & DEVELOPMENT

STANDING COMMITTEE REPORT NO. 24-44

RE: PRESIDENTIAL COMMUNICATION NO. 24-244

SUBJECT: FISCAL YEAR 2027 BUDGET/R&D

SEPTEMBER 22, 2026

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

Dear Mr. Speaker:

Your Committee on Resources and Development, to which was jointly referred Presidential Communication No. 24-244 transmitting the National Government's proposed FY2027 budget, begs leave to report as follows:

Presidential Communication No. 24-244 transmits the *National Government's fiscal year 2027 Proposed Budget (Budget Book)*. Pursuant to rule 7, section 2(b), of the Official Rules of Procedure of the Twenty-Fourth Congress of the Federated States of Micronesia, your committee has confined its review to those items of the proposed budget relating to matters within its jurisdiction. These are the budgets for:

1. Department of Resources and Development;
2. National Oceanic Resource Management Authority;
3. FSM Banking Board;
4. FSM Insurance Board;
5. Grants, subsidies and contributions:

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- a. Pacific Island Development Program (PIDP);
 - b. Pacific Asian Travel Association (PATA);
 - c. United Nations Development Program (UNDP);
 - d. Food Agriculture Organization;
 - e. Western Forestry Leadership Coalition (WFLC);
 - f. SPC Matching Fund;
 - g. Micronesian Challenge;
 - h. Micronesian Cruise Association;
 - i. South Pacific Tourism Organization;
 - j. International Renewable Energy Agency;
 - k. Micronesia Trade Committee;
 - l. Convention on Biological Diversity;
 - m. International Food and Agriculture Development;
 - n. United Nation Industrial Development Organization (UNIDO);
 - o. Micronesian Island Forum Membership Fee;
 - p. Micronesia Association for Sustainable Aquaculture;
 - q. Micronesian Island Forum;
 - r. Micronesian Challenges Endowment Fund;
 - s. International Coconut Community (Annual Fees & Prior Years);
 - t. WCPFC Membership Fee (NORMA);
 - u. Forum Fisheries Agency; and
 - v. Palau Nauru Arrangement (PNA) membership fee.
6. Capital and Human Resources Development:
- a. State & National Leadership Conference (SNLC);
 - b. Domestic Tourism;
 - c. R&D Conference;
 - d. Foreign Investment Data Management System;
 - e. Tourism conference;
 - f. Tourism Budget & Planning with the states;
 - g. Tourism Public Awareness;
 - h. FSM Chamber of Commerce (COC);
 - i. Commemoration of World Tuna Day -May 2025;
 - j. Electronic Monitoring Project -2023 T3 Challenge;
 - k. Hosting of WCPFC Technical & Compliance Committee and Science Committee meetings; and
 - l. Internship for students in the area of fisheries management.

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This report and all previous and subsequent reports by this committee should be treated as policy for this Nation as defined by the Congress. It is your committee's intent that any comments found in this report should be treated as policy for the guidance of the relevant departments, agencies and offices in the obligation and expenditures of their respective budgets and implementation of their programs.

Your committee conducted a series of public hearings on the fiscal year 2027 proposed budget for the Department of Resources and Development, the National Oceanic Resource Management Authority, the FSM Banking Commission, and the FSM Insurance Commission, starting on Tuesday, September 15, 2026; and continued on Wednesday, September 16, 2026; and Thursday, September 17, 2026; during the Fifth Regular Session. The report and recommendations that follow are based upon the information contained in the *Budget Book*.

I. GENERAL DISCUSSION OF THE PROPOSED FY 2027 BUDGET

Your committee use the table below to compare the fiscal year 2026 budget appropriation, the fiscal year 2027 proposed budget by the Department, the recommended 2027 budget by EBRC, and the committee's recommendation.

	FY 2026 Appro.	FY 2027 Proposed	FY27 Recommend	FY27 Committee Recommends
Personnel	\$1,528,450	\$1,612,775	\$1,528,450	\$1,528,450
Travel	\$335,345	\$805,698	\$635,746	\$626,866
Contract.Serv.	\$170,639	\$317,349	\$171,139	\$202,139
OCE	\$183,141	\$241,928	\$183,141	\$183,141
Fixed Assets	\$6,000	\$29,564	\$7,000	\$7,000
Total	\$2,223,575	\$3,007,314	\$2,522,476	\$2,547,596
No. Employees	60	63	63	63

Your committee conducted its public hearing on the Department of Resources and Development FY27 proposed budget on Tuesday, September 15, 2026. The witnesses present included the Secretary Elina Akinaga and her subordinate staff, representatives from the

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Department of Justice, Department of Finance & Administration, Office of the President, and Office of the Personnel. Following are the Committee's decisions and recommendations

I(a). Office of the Secretary

	FY 2026 Appro.	FY 2027 Proposed	FY27 Recommended	FY27 Committee Recommends
Personnel	\$146,016	\$146,016	\$143,016	\$146,016
Travel	\$82,809	\$195,263	\$189,051	\$189,051
Contract.Serv.	\$0	\$73,500	\$500	\$500
OCE	\$24,515	\$61,758	\$21,515	\$21,515
Fixed Assets	\$1,000	\$7,564	\$0	\$0
Total	\$254,340	\$484,101	\$354,082	\$357,082
No. Employees	4	4	4	4

Personnel — There are four positions under the Office of the Secretary, and the amount appropriated in fiscal year 2026 to fund the four positions was \$146,016. For FY27, the requested amount is \$146,016, EBRC recommended \$143,016. At the hearing, your committee learned that the decrease in the Personnel is a slight decrease of the Secretary's salary. Your committee recommended \$65,000 for the Secretary's salary, and recommends **\$146,016**.

Travel — The FY26 appropriation was \$82,809. The proposed amount requested for fiscal year 2027 is \$195,263, but EBRC recommended \$189,051. There are 12 trip requests, and out of the twelve trips, four are domestic travels, two are regional travels and eight are international travels. Two trips that were not recommended include the APIPA trip to Guam, and the IRENA meeting in Rome. Your committee understands that the increase in travel is to accommodate the increase in ticket prices and also increase in per diem. Your committee recommends **\$189,051**.

Contractual Services —The amount appropriated last year was \$0. The request for this fiscal year is \$73,500. An amount of \$73,000 is requested to fund a consultant, and \$500 is for subscription. The justification for the Consultant is to write grant proposals. EBRC recommended \$500. Your committee awaits

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any urgent request to accommodate in the next fiscal year, and recommends \$500.

Other Current Expenses – The FY26 appropriation was \$21,515. The amount proposed for this fiscal year is \$61,758, but EBRC recommends \$21,515. The significant increase is in communication in the amount of \$45,243. The amount appropriated for communications in fiscal year 2026 was \$5,000. Your recommends \$21,515.

Fixed Assets – For the fiscal year 2026, there was \$1,000 appropriated. For this FY27, the amount requested is \$7,564 to purchase four laptops. EBRC recommended \$0. Your committee recommends \$0.

II. Tourism Division

	FY 2026 Appro.	FY 2027 Proposed	FY27 Recommended	FY27 Committee Recommends
Personnel	\$105,655	\$105,655	\$105,655	<u>\$105,655</u>
Travel	\$44,472	\$125,218	\$79,118	<u>\$79,118</u>
Contract.Serv.	\$8,500	\$10,710	\$8,500	<u>\$8,500</u>
OCE	\$12,795	\$19,000	\$12,795	<u>\$12,795</u>
Fixed Assets	\$2,000	\$3,500	\$3,500	<u>\$3,500</u>
Total	\$173,422	\$264,083	\$209,568	<u>\$209,568</u>
No. Employees	3	3	3	3

Personnel – The appropriated amount in FY26 was \$105,655 to fund three positions (the Assistant Secretary; the Program Manager for Marketing; and the Program Manager for Production). EBRC recommended the same amount for this fiscal year. Your committee recommends \$105,655.

Travel – In fiscal year 2026, an amount of \$44,472 was appropriated. This year, an amount of \$125,218 is requested, but EBRC recommended \$78,118. The division requested three domestic travels, and each travel costs around \$24,206 for three travelers. There is another international travel (to attend SPTO Regional Meeting in Fiji) in the amount of \$21,500, but was not recommended. Another trip to attend PATA in Malaysia in the

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amount of \$24,600, but was not recommended. Your committee recommends \$79,118.

Contractual Services — In FY26 appropriation, an amount of \$8,500 was appropriated. The recommended amount for this fiscal year 2027 is \$10,710, but EBRC recommended \$8,500. The breakdown of the \$8,500 is as follows: \$3,500 to fund the FSMVB website service and \$5,000 for internship. Your committee recommends \$8,500.

Other Current Expenses — The amount appropriated in fiscal year 2026 was \$12,795. The amount proposed for this year is \$19,000, but EBRC recommended \$12,795. Your committee recommends \$12,795.

Fixed Assets — In FY 2026, \$2,000 was appropriated. For this fiscal year 2027, the division requested \$3,500 to purchase laptops, and EBRC recommended it. Your committee recommends \$3,500.

III. Marine Resources Division

	FY 2026 Appro.	FY 2027 Proposed	FY27 Recommended	FY27 Committee Recommends
Personnel	\$101,102	\$101,102	\$101,102	<u>\$101,102</u>
Travel	\$35,906	\$108,536	\$79,118	<u>\$79,118</u>
Contract.Serv.	\$30,000	\$65,000	\$30,000	<u>\$30,000</u>
OCE	\$11,076	\$11,076	\$11,076	<u>\$11,076</u>
Fixed Assets	\$1,000	\$0	\$0	<u>\$0</u>
Total	\$179,083	\$285,714	\$221,296	<u>\$221,296</u>
No. Employees	3	3	3	3

Personnel — The amount appropriated in fiscal year 2026 was \$101,102 to fund three positions (Assistant Secretary; Deputy Assistant Secretary; and Fisheries Management Conservation Officer). For this year, the proposed amount is \$101,102, which was recommended by EBRC. Your committee recommends \$101,102.

Travel — In FY26, the appropriated amount was \$35,905. The division proposed \$108,536 for this fiscal year, but EBRC

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recommended \$79,118. The division requested three domestic travels, one for the Assistant Secretary to visit each state in the amount of \$24,206. Another domestic travel is for the Program Manager for Fisheries to visit each state in the amount of \$24,206, and the last domestic travel is for the Fisheries Conservation Management Specialist to visit each state in the amount of \$24,206. There are four international travels, one for the Assistant Secretary to attend Ocean Conference in Kenya, Nairobi in the amount of \$15,000 (this travel was not recommended), another is for the Assistant Secretary to attend BBNJ meeting in New York in the amount of \$7,502 (this travel was not recommended), the other international travel is the Fisheries Conservation Management Officer to attend a meeting in Washington, D.C. in the amount of \$6,916 (this travel was not recommended), and the last travel is for the Assistant Secretary to attend the MIF in Palau in the amount of \$6,500 (this travel is recommended). Your committee recommends \$79,118.

Contractual Services — For FY26, an amount of \$30,000 was appropriated to fund the PAN Coordinator (\$25,000) and the internship program (\$5,000). For this fiscal year, the division is requesting \$65,000, but EBRC recommended \$30,000. There is an additional \$35,000 to fund a BPM Coordinator, which was not recommended. Your committee will accommodate other urgent needs for this division, and recommends \$30,000.

Other Current Expenses — An amount of \$11,076 was appropriated in fiscal year 2026. For fiscal year 2027, the same amount is requested and recommended by EBRC for the following: \$8,576 for office supplies; \$1,000 for POL; and \$1,500 for Printing & Reproduction. Your committee recommends \$11,076.

Fixed Assets — An amount of \$1,000 was appropriated in fiscal year 2026 to purchase laptops. There was no request for this fiscal year. Your committee recommends \$0.

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IV. Agriculture Division

	FY 2026 Appro.	FY 2027 Proposed	FY27 Recommended	FY27 Committee Recommends
Personnel	\$483,922	\$506,613	\$483,922	<u>\$483,922</u>
Travel	\$52,821	\$110,103	\$88,118	<u>\$88,118</u>
Contract.Serv.	\$5,000	\$5,000	\$5,000	<u>\$5,000</u>
OCE	\$59,947	\$59,947	\$59,947	<u>\$59,947</u>
Fixed Assets	\$2,000	\$1,500	\$1,500	<u>\$1,500</u>
Total	\$603,690	\$683,163	\$638,487	<u>\$638,487</u>
No. Employees	23	23	23	23

Personnel — The amount appropriated for fiscal year 2026 was \$483,922 to fund twenty-three (23) employees. For fiscal year 2027, the division proposed \$506,613, but EBRC recommended amount is \$483,922. There is a proposed increase of \$22,691 that the division requested, and the increase is for several salary increases, but EBRC retained all salaries to reflect the fiscal year 2026 appropriation. Your committee recommends \$483,922.

Travel — The amount appropriated in fiscal year 2026 was \$52,821. The division proposed \$110,103 to fund five domestic travels and four international travels. EBRC recommended the domestic travels including one trip for the Assistant Secretary to attend the MIF in Palau in the amount of \$6,500. EBRC did not recommend the international travel for the Assistant Secretary to attend the Pacific Island Forestry Committee Meeting in Hilo in the amount of \$5,308, the regional travel for the Data and Information Officer to Nadi in the amount of \$9,761, and the international travel for the Assistant Secretary to attend the Council of Western State Foresters in Washington, D.C. in the amount of \$6,916. Your committee recommends \$88,118.

Contractual Services — In fiscal year 2026, there was \$5,000 appropriated for internship. The proposed amount that the division requested for this fiscal year 2027 is \$5,000, which was recommended. Your committee recommends \$5,000.

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Other Current Expenses — The amount appropriated in fiscal year 2026 was \$59,947. For fiscal year 2027, the same amount is request, which was recommended by EBRC. Your committee recommends \$59,947.

Fixed Assets — In FY26, \$2,000 was appropriated to purchase a desktop computer. This year the division is requesting \$1,500 for desktop again, and is recommended by EBRC. Your committee recommends \$1,500.

V. Division of Trade and Investment

	FY 2026 Appro.	FY 2027 Proposed	FY27 Recommended	FY27 Committee Recommends
Personnel	\$121,873	\$121,873	\$121,873	<u>\$121,873</u>
Travel	\$59,290	\$104,575	\$82,379	<u>\$82,379</u>
Contract.Serv.	\$69,000	\$100,000	\$69,000	<u>\$100,000</u>
OCE	\$24,754	\$27,754	\$24,754	<u>\$24,754</u>
Fixed Assets	0	\$2,000	\$2,000	<u>\$2,000</u>
Total	\$274,908	\$353,193	\$299,997	<u>\$330,997</u>
No. Employees	4	4	4	4

Personnel — For FY26, \$121,873 was appropriated to fund four positions (Assistant Secretary; Program Manager for Trade; Program Manager for Investment; and Secretary II). For fiscal year 2027, the division proposed \$121,873, and EBRC recommended the same amount. Your committee recommends \$121,873.

Travel — An amount of \$59,290 was appropriated in FY 2026. This year, the Division is requesting \$104,575 to fund three domestic travels and three regional/international travels. EBRC recommended \$82,379, and did not recommend the MIF trip to Palau for the Assistant Secretary and the MTEC trip also in Palau for the Assistant Secretary. EBRC recommended amount (\$82,379), as compared to FY26 appropriation is a \$23,089 increase. Your committee recommends \$82,379.

Contractual Services — In FY 2026, an amount of \$69,000 was appropriated. For fiscal year 2027, the Division requested \$100,000 (\$55,000 to fund a Trade Advisor, \$9,000 to fund

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the Secure Transaction website, \$5,000 to fund the internship program.) This year, the division is requesting \$40,000 to fund the SDP Coordinator. EBRC recommended the \$69,000, but not the additional \$40,000 for the SDP Coordinator. Your committee is of the view that the SDP Coordinator is very important and want to accommodate it. Your committee recommends \$100,000.

Other Current Expenses - An amount of \$27,754 was appropriated under this category in FY 2026. For fiscal year 2027, the Division requested the same amount and was recommended. Your committee recommends \$24,754.

Fixed Assets - The FY26, there was no appropriation. For fiscal year 2027, an amount of \$2,000 is requested to purchase one laptop, and recommended by EBRC. Your committee recommends \$2,000.

VI. Division of Energy

	FY 2026 Appro.	FY 2027 Proposed	FY27 Recommended	FY27 Committee Recommends
Personnel	\$105,655	\$105,655	\$105,655	<u>\$105,655</u>
Travel	\$33,583	\$111,618	\$77,618	<u>\$77,618</u>
Contract.Serv.	\$500	\$5,500	\$500	<u>\$500</u>
OCE	\$5,000	\$5,000	\$5,000	<u>\$5,000</u>
Fixed Assets	\$0	\$0	\$0	<u>\$0</u>
Total	\$144,738	\$227,773	\$188,773	<u>\$188,773</u>
No. Employees	3	3	3	3

Personnel - There are three positions in this division, an Assistant Secretary; a Project Manager for Water and the Project Manager for Renewable Energy. The appropriated amount in fiscal year 2026 was \$105,655. For this fiscal year 2027, the division proposed \$105,655 to fund the three positions, and is recommended by EBRC. Your committee recommends \$105,655.

Travel - In FY 2026, an amount of \$33,583 was appropriated. The amount requested for fiscal year 2027 by the division is \$111,618 to fund four domestic travels and two international travels. The

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domestic travels are for consultations by the Assistant Secretary and the Project Manager for Water and Project Manager for Renewable Energy in each of the states, and the international travels for the Micronesian Island Forum in Palau, and to attend the IRENA in Abu Dhabi. EBRC did not recommend the \$14,064 for the IRENA meeting in Abu Dhabi. EBRC recommended \$77,618, and did not recommend the MIF trip to Palau, and two international trips, one to attend the IRENA in Abu Dhabi (\$15,000), and one to attend the UNESCAP in Thailand (\$15,000). Your committee recommends \$77,618.

Contractual Services — In FY2026, an amount of \$500 was appropriated for subscription. This year the division requested \$5,000 for internship and \$5,000 for subscription). EBRC recommended the \$500, but not the internship program. Your committee recommends \$500.

Other Current Expenses — An amount of \$5,000 was appropriated last year. This year's request is \$5,000 for equipment maintenance, office supplies, and Printing & Reproduction. EBRC recommended \$5,000. Your committee recommends \$5,000.

Fixed Assets — In FY 2026, there was no appropriation. This year, there is no request. Your committee recommends \$0.

VI. Division of Statistics

	FY 2026 Appro.	FY 2027 Proposed	FY27 Recommended	FY27 Committee Recommends
Personnel	\$464,227	\$525,861	\$464,227	<u>\$464,227</u>
Travel	\$31,464	\$36,344	\$31,464	<u>\$31,464</u>
Contract.Serv.	\$57,639	\$57,639	\$57,639	<u>\$57,639</u>
OCE	\$48,054	\$60,393	\$48,054	<u>\$48,054</u>
Fixed Assets	\$0	\$0	\$0	<u>\$0</u>
Total	\$601,384	\$680,237	\$601,384	<u>\$601,384</u>
No. Employees	20	20	20	20

Personnel — The FY26 appropriation was \$464,227 to fund twenty positions. For fiscal year 2027, the proposed amount is \$525,861 to fund twenty-three positions. Last year there were twenty

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positions, and this year the division requested three new positions (Statistics Specialist III (Social: Migration, crime, etc at \$15,852; Statistics Specialist III (SEEA, Water account, Land account at \$15,852, and Statistics Specialists III (Waste account, and related at \$15,852). EBRC did not recommend the three new positions requested. Your committee recommends \$464,227.

Travel — The FY2026 appropriated amount was \$26,464 was appropriated. For FY 2027, there division requested \$50,385, but EBRC recommended \$40,344. There are six international trips, and the division requested additional funding for these international trips. There are two domestic travels for the Assistant Secretary and the Deputy Assistant Secretary to visit each of the states. Your committee recommends \$31,464.

Contractual Services — The amount appropriated in fiscal year 2026 was \$57,639. The amount requested for fiscal year 2027 is \$57,639. Your committee recommends \$57,639.

Other Current Expenses — An amount of \$48,054 was appropriated in fiscal year 2026. The requested amount for fiscal year 2027 is \$60,393, but EBRC recommended \$48,054. Your committee recommends \$48,054.

Fixed Assets — No amount requested for this fiscal year. The division is requesting \$15,000 for five desk top computers, but was not recommended by EBRC. Your committee recommends \$0.

VII. NATIONAL OCEANIC RESOURCE MANAGEMENT AUTHORITY (NORMA)

On Wednesday, September 16, 2026, your committee on Resources and Development held a public hearing on NORMA's fiscal year 2027 proposed budget. Witnesses included the Executive Director Camil Movick, Deputy Executive Director Mathew Chigiyal, Mrs. Moria Joseph, Administrative Officer, IT/GIS Manager Alfred Lehehn, Assistant Director of Corporate Service Division Limanman Helgenberger, Vessel Day Scheme Administrator Jean Welles, Manager Licensing Miorida Yee-Ting, Sampson Pretrick from the Office of Personnel,

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Belan Yoma from the Office of the President, Robert Nakasone, Jr. from the Department of Justice, and Molina Seneres from the Department of Finance and Administration.

The figures shown in the chart below for NORMA include the total amount appropriated in FY 2026; the FY 2027 amount proposed by NORMA, and the amount recommended by EBRC for FY 2027. The last column is the amount recommended by your Committee for FY 2027.

	FY 2026 Appro.	FY 2027 Proposed	FY27 Recommended	FY27 Committee Recommends
Personnel	\$984,067	\$1,151,072	\$984,067	\$984,067
Travel	\$200,000	\$435,889	\$340,000	\$340,000
Contract.Serv.	\$250,001	\$366,596	\$346,396	\$346,396
OCE	\$90,000	\$106,240	\$101,240	\$101,240
Fixed Assets	\$50,000	\$100,000	\$0	\$0
Total	\$1,574,068	\$2,159,797	\$1,771,703	\$1,771,703
No. Employees	30	31	30	30

Personnel — For FY 2026, the appropriated amount was \$984,067 to fund thirty positions. For this fiscal year 2027, the Authority is requesting \$1,151,072, but EBRC recommended \$984,067. The Authority proposed to increase the salary of the Executive Director from \$60,000 annually to \$80,000, but was not recommended by EBRC. Also, the Authority proposed to increase the salary of the Deputy Director from \$55,000 annually to \$65,000, but was not recommended by EBRC. Your committee notes several vacant positions (the Electronic Reporting Officer, Assistant Director/Fisheries Management Division, Senior Fisheries Economist, and the Fisheries Observer Trainer), and wanted to know if these vacant positions are already filled.

According to Executive Director, the only vacant position is the Assistant Director for Fisheries Management. Your committee recommends **\$984,067.**

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Travel — In FY 2026, the amount appropriated was \$200,000. The Authority requested \$435,889 for fiscal year 2027, but EBRC recommended \$340,000. This is an increase of \$140,000, as compared to FY26 appropriation. The justification in the increase in travel is based on the several meetings the staff need to attend. Your committee recommends \$340,000.

Contractual Services — In FY 2026, an amount of \$250,001 was appropriated. For FY27, the Authority proposes \$366,596, but EBRC recommended \$346,396. The items under contractual services that are increased include the Meeting Allowance from \$33,600 to \$56,000; Online subscriptions, hosting & software fees \$56,361 to \$98,000; Office rental from \$63,000 to \$86,156; a new staff housing in the amount of \$7,200 for the IT Developer; Employee incentive increases from \$15,000 to \$18,000. These are the significant increases. Your committee recommends \$346,396.

Other Current Expenses — The amount appropriated in FY 2026 was \$90,000. The amount proposed for fiscal year 2027 is \$106,240, but EBRC recommended \$101,240. Your committee recommends \$101,240.

Fixed Assets — An amount of \$50,000 was appropriated in fiscal year 2026. The authority is requesting \$100,000 for this fiscal year for IT equipment, office equipment and furniture, but EBRC recommended \$0. Your committee recommends \$0.

VIII. FSM BANKING BOARD

The figures shown in the chart below for the FSM Banking Board include the total amount appropriated in FY 2026; the amount recommended by EBRC for FY 2027. The last column is the amount recommended by your Committee for FY 2027.

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Personnel	\$191,461	\$207,678	\$191,461	\$191,461
Travel	\$50,000	\$128,368	\$91,510	\$91,510
Contract.Serv.	\$40,602	\$37,652	\$37,652	\$40,602
OCE	\$33,370	\$33,930	\$33,930	\$33,930
Fixed Assets	\$8,500	\$0	\$0	\$0
Total	\$315,433	407,628	\$354,553	\$357,503
No. Employees	4	4	4	4

Your committee held a public hearing on Thursday, September 17, 2026. In attendance were Mr. Reed Oliver, a member of the Board, Mr. Jesse Giltamag, Banking Commissioner, Bank Examiner, Mrs. Stephine Edward, Mrs. Christina Elne, Deputy Assistant Secretary of the Department of Finance and Administration, Secretary of the Department of Justice Mr. Jun Bacalando, Molina and Mr. Sampson Pretrick, and Director of the Office of Personnel.

Personnel — The amount appropriated in FY 2026 was \$191,461. For the FY27 request, the Banking Board requested \$207,678 to fund six positions, but EBRC recommended only five positions. The new position that is requested is an Executive Secretary I position with a corresponding salary of \$13,198, but EBRC did not recommend.

At the hearing, your committee inquired why EBRC did not recommend the Secretary I position. Mrs. Christina Elne stated that the position was not recommended. Your committee recommends **\$191,461.**

Travel — The FY26 appropriation was \$50,000. The requested amount for this year is \$128,368, but the recommended amount is \$91,510. EBRC did not recommend the trips to the FDIC school for the Commissioner and the Bank Examiner. Your committee recommends **\$91,510.**

Contractual Services — In FY 2026, an amount of \$40,602 was appropriated. For this fiscal year, an amount of \$37,652 was requested, which was recommended by EBRC. At the hearing,

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Banking Commissioner said that the \$3,950 for the AIF Registration & Certification fees is important to maintain the status of the Banking Examination. Your committee supports the staff development or capacity building of staff, and wants to accommodate the \$3,950 AIF Registration & Certification fees. Your committee recommends \$40,602.

OCE — The amount appropriated in FY26 was \$33,370. The fiscal year 2027 requested amount is \$33,930, in which EBRC recommended. Your committee recommends \$33,930.

Fixed Assets — In FY 2026, there was no appropriation. There is no request for this year. Your committee recommends \$0.

IX. FSM INSURANCE BOARD

The figures shown in the chart below for the FSM Insurance Board include the total amount appropriated in FY 2026; the amount recommended for FY 2027. The last column is the amount recommended by your committee for FY 2027.

Your committee conducted a public hearing on the fiscal year 2027 proposed budget for the Insurance Commission on Thursday, September 17, 2026. Witnesses included Chairman of the Board Mr. Adelman Joseph, Insurance Commissioner, Mr. Nakama Sana, Insurance Commissioner, Vice Chairman of the Board, Sampson Pretrick, Secretary Jun Bacalando, Mr. Christina Elne, Assistant Secretary of the Department of Finance and Administration, and Mr. Sampson Pretrick, Director of the Office of Personnel.

	FY 2026 Appro.	FY 2027 Proposed	FY27 Recommended	FY27 Committee Recommends
Personnel	\$217,548	\$217,548	\$217,548	\$217,548
Travel	\$67,794	\$87,575	\$74,594	\$74,594
Contract.Serv.	\$347,700	\$355,295	\$355,295	\$355,295
OCE	\$32,004	\$41,295	\$32,004	\$32,004
Fixed Assets	\$30,000	\$0	\$0	\$0
Total	\$695,046	\$701,713	\$679,441	\$679,441
No. Employees	6	6	6	6

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Personnel — The amount appropriated in FY26 was \$217,548. For FY27, the proposed amount is \$217,548 to fund six positions, which is recommended by EBRC. Your committee recommends \$217,548.

Travel — An amount of \$67,794 was appropriated in FY26. For FY27, an amount of \$87,575 was proposed and reflected in the "Budget Book", and the recommended amount by EBRC is \$74,594. At the hearing, witnesses from the hearing said the correct amount that EBRC recommended is \$67,794, and not \$74,594.

At the hearing, the Insurance Commissioner as well as the Chairman of the Board justified the need to fund all board members (three all together) to attend the annual Micronesian Registrar Advisor Seminars in Tokyo, Japan. Your committee understands the need of the travel for the Insurance Board, and recommends \$74,594.

Contractual Services — In FY 2026 an amount of \$347,700 was appropriated. For FY 2027, there was a request of \$355,295, which was recommended. Your committee recommends \$355,295.

OCE — In FY 2026 an amount of \$32,004 was appropriated. This year there is a request of \$41,295, but EBRC recommended \$32,004. Your committee recommends \$32,004.

Fixed Assets — In FY26 budget, there was \$30,00 appropriated for a vehicle, but because of urgent needs of the Executive branch the \$30,000 was reprogrammed. The Insurance Commissioner testified that they really need a vehicle. For this fiscal year, no request. Your committee recommends \$0.

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VII. GRANTS, SUBSIDIES & CONTRIBUTIONS

Department of Resources Development				
Grants, Contributions & Subsidies	FY 2026 Appro.	FY 2027 Proposed	FY27 Recommend	FY27 Committee Recommends
a. Pacific Island Development Program (PIDP)	15,000	15,000	25,000	\$15,000
b. Pacific Asian Travel Association (PATA)	6,000	7,000	7,000	\$7,000
c. United Nations Development Program (UNDP)	\$30,000	\$30,000	\$30,000	\$30,000
d. Food and Agriculture Organization (FAO)	\$6,800	\$6,800	\$6,800	\$6,800
e. Western Forestry Leadership Coalition	\$530	\$100	\$100	\$100
f. Matching to SPC Projects	\$60,000	\$60,000	\$60,000	\$60,000
g. Micronesian Challenge	\$10,000	\$10,000	\$10,000	\$10,000
h. South Pacific Tourism Organization	\$8,000	\$8,500	\$8,500	\$8,500
i. IRENA	\$250	\$500	\$500	\$500
j. Convention on Biological Diversity (CBD)	\$1,000	\$1,000	\$1,000	\$1,000
k. International Fund for Agriculture Development (IFAD)	\$500	\$500	\$500	\$500
l. United Nations Industrial Development Organization (UNIDO)	\$1,000	\$1,000	\$1,000	\$1,000
m. Micronesian Island Forum Membership	\$15,000	\$15,000	\$15,000	\$15,000
n. Pacific Water & Waste Water Association	\$1,060	\$1,060	\$1,060	\$1,060
o. Secured Transactions Website	\$0	\$9,000	\$9,000	\$9,000

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p. Micronesian Trade, and and Economic Community	\$30,000	\$30,000	\$30,000	\$30,000
q. National Association of State Foresters (NASF)	\$0	\$530	\$530	\$530
r. Micronesian Challenge Endowment Fund	\$0	\$100,000	\$100,000	\$0
s. International Coconut Community	\$18,708	\$18,708	\$18,708	\$18,708
t. Bureau International Des Expositions (BIE)	\$2,495	\$3,850	\$3,850	\$3,850
Total	\$206,343	\$318,548	\$318,548	\$218,548

OTHER GRANTS, CONTRIBUTIONS & SUBSIDIES	FY 2026 Appro.	FY 2027 Proposed	FY27 Recommend	FY27 Committee Recommends
1. Forum Fisheries Agency	\$63,000	\$63,000	\$63,000	\$63,000
2. NORMA — WCPFC Tuna Commission Fee	\$598,990	\$598,990	\$654,898	\$654,898
3. PNA Membership, Fee	\$10,000	\$10,000	\$10,000	\$10,000
Total for NORMA	\$671,990	\$671,990	\$727,898	\$727,898
GRANT TOTAL FOR GRANTS, SUBSIDIES & CONTRIBUTIONS	\$878,333	\$990,53	\$1,046,446	\$946,446

On the IRENA contribution, the increase is due to market rate increase. The contribution to the National Association of State Foresters is an old-line item, and was funded in fiscal year 2026. On the Micronesian Challenge Endowment Fund, there was \$100,000 appropriated in this fiscal year 2026. At the mark up hearing, your committee decided to hold off on the Micronesian Endowment Fund. Your committee understands that the fund is now at \$11 million and the states can withdraw 5% (around \$500,000 to \$600,000) of the average balance of the reviewing year.

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	FY 2026 Appro.	FY 2027 Proposed	FY27 Recommend	FY27 Committee Recommends
a. R&D State & National Leadership Conference	\$100,000	\$125,000	\$125,000	\$100,000
b. R&D conference	\$0	\$100,000	\$100,000	\$0
c. SDP Implementation and Performance Management	\$0	\$350,000	\$150,000	\$150,000
d. National Trade Facilitation Committee Meeting	\$50,000	\$150,000	\$75,000	\$75,000
e. Foreign Investment Regulators Bi-Annual Meetings	\$0	\$80,000	\$0	\$0
f. KAMORALE Exp 2027	\$0	\$275,000	\$275,000	\$0
g. KAMORALE Convention Center	\$0	\$95,000	\$95,000	\$0
h. FSM Tourism Marketing Research & Awareness	\$0	\$180,000	\$0	\$0
i. Implementation of the FSM Market & Branding Strategy	\$0	\$300,000	\$0	\$0
j. National Marine/Ocean Resources Symposium	\$0	\$55,000	\$0	\$0
k. Comprehensive Reviews of Trade Legislative Framework	\$0	\$60,000	\$0	\$0
l. Chief Executive Council/Plus One	\$100,000	\$100,000	\$100,000	\$50,000
m. Coconut Rehabilitation	\$0	\$200,000	\$0	\$0
n. Livestock Program	\$0	\$100,000	\$0	\$0
o. NSDS2	\$0	\$58,000	\$58,000	\$58,000
p. PHC30 Prep'n: EA Redelineation	\$0	\$28,000	\$0	\$28,000
q. Purchase of Canoe for National Government	\$20,000	\$0	\$0	\$0
Total	\$270,000	\$2,256,000	\$978,000	\$461,000

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Other Capital and Human Resources Development				
NORMA				
a. NORMA -World Tuna Day-May 2026	\$70,000	\$80,000	\$70,000	\$70,000
b. Hosting WCPFC, TTC & SC	\$10,000	\$52,000	\$52,000	\$52,000
c. Internship for Students in the area of fisheries	\$5,000	\$5,000	\$5,000	\$5,000
d. T3 Monitoring	\$150,000	\$150,000	\$150,000	\$150,000
e. Fisheries Investment Policy Implementation	\$200,000	\$200,000	\$200,000	\$100,000
f. FSM's Small Scale Longline Project	\$200,000	\$0	\$0	\$0
g. Hosting of Regional and Subregional Meetings	\$100,000	\$150,000	\$100,000	\$100,000
h. Implementation of Capacity Building and Succession Plan	\$0	\$90,000	\$0	\$0
i. Implementation of FAO Port State Measure Agreements	\$0	\$60,000	\$60,000	\$60,000
Deep Sea Mining Authority	\$200,000	\$500,000	\$500,000	\$0
Total	\$935,000	\$1,287,000	\$1,077,000	\$537,000
Grant Total for CIP	\$1,205,000	\$3,543,000	\$2,055,000	\$998,000

The R&D State and National Leadership conference brings together the leadership of this nation (Governors and President) to discuss important issues facing the nation. The R&D conference is important because the conference brings together stakeholders from the states to discuss ongoing activities in the various sectors, and identify any challenges to those economic activities. At the mark-up hearing of your committee, the decision is to fund part of the requested funding for the CEC and zero out the funding for the R&D conference. The funding of \$58,000 for the National Statistics Development Strategy II (NSDS2) is to bring the stakeholders and discuss important data. For the PHC30 Prep'n: EA Redelineation the needed \$28,000 is a supplemental for the NSDS2 also. Your committee decided to provide funding for the PHC30 preparation.

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The committee decided not to fund the KAMORALE EXPO 2027, and urge the funds to come from the respective states. For the KAMORALE Convention Center, your committee did not provide funding because there is a proposed bill to establish a revolving fund. Once the revolving fund is established, funds requested can be appropriated. For the Deep-Sea Mining funding of \$500,000, it is needed to implement the working plan developed by the Interim Chair. This funding is to move the program forward. Your committee decided not to fund this, and wait for an interim Executive Director to be appointed.

CONCLUSION

Your Committee on Resources and Development has carefully reviewed the President's recommended FY 2027 budget and all information provided by the Executive and the entities under your committee's jurisdiction. The recommended sums set forth above reflect your committee's recommendations on the level of funding for the designated activity, program or project for FY 2027, subject to the recommendations of the Committee on Ways and Means.

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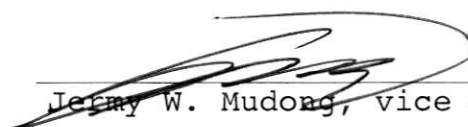
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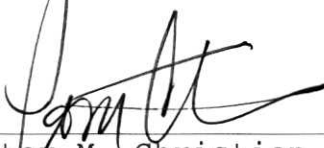
Respectfully submitted,



Johnson A. Asher, chairman



Jermy W. Mudong, vice chairman



Peter M. Christian, member

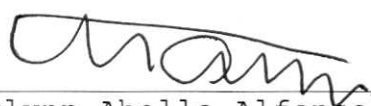
Andrew R. Yatilman, member



Victor S. Goulard, member



Fabian S. Nimea, member



Merlynn Abello-Alfonso, member