

STANDING COMMITTEE REPORT NO. 19-217

RE: C.B. NO. 19-79/R&D

SUBJECT: TO AMEND TITLE 24 OF THE FSM CODE TO
LIFT THE TERM LIMIT OF MEMBERS OF
THE NATIONAL OCEANIC RESOURCE
MANAGEMENT AUTHORITY (NORMA) BOARD
OF DIRECTORS

MARCH 31, 2017

The Honorable Wesley W. Simina
Speaker, Nineteenth Congress
Federated States of Micronesia
Eighth Special Session, 2017

Dear Mr. Speaker:

Your Committee on Resources and Development, to which was referred
C.B. No. 19-79, entitled:

"TO AMEND SECTIONS 201 AND 202 OF TITLE 24 OF THE CODE OF
THE FEDERATED STATES OF MICRONESIA, AS AMENDED BY PUBLIC
LAW NO. 19-21, TO MODIFY THE TERM LIMIT OF MEMBERS OF THE
NATIONAL OCEANIC RESOURCE MANAGEMENT AUTHORITY OF THE
FEDERATED STATES OF MICRONESIA, AND FOR OTHER PURPOSES.",

begs leave to report as follows:

The intent and purpose of the bill are expressed in its title.

BACKGROUND

Chapter 2 of title 24 of the FSM Code creates the Board of Directors
of the National Oceanic Resource Management Authority (NORMA). The
Board of Directors consisted of five members, "each discharging a
national duty". The President with the advice and consent of
Congress appoints all members. One member must be from each of the

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FSM States and be nominated "in consultation" with the respective Governor. The President nominates the national representative with the advice and consent of Congress. Subsection 201(c) of title 24 of the FSM Code explicitly stated, "No member shall be appointed for more than two consecutive terms after the effective date of this Act". Hence, the term of sitting members is two consecutive terms.

C.B. No. 19-79 is to modify the term limit of members of the Board and to allow a member of the Board of Director of NORMA to continue serving on the Board with no term limit.

Public Hearings:

A series of public hearings on C.B. No. 19-79 were held in each of the states. On February 6, 2017, your Committee held a public hearing in Kosrae State. Chairman David W. Panuelo chaired the hearing. Other members present were Vice Chairman Alik L. Alik, Senators Paliknoa K. Welly and Esmond Moses. Also in attendance were Assistant Attorney General Johnson Asher, Deputy Director of NORMA Mathew Chigiyal, Program Manager for the Division of Quarantine John Wichep and Program Manager for the Division of Trade and Investment Florian Yatilman.

At the Kosrae hearing, witnesses expressed their strong support on the bill. One of the recommendations was that the language of the bill on page 3, line 9 where it reads: "a term of two years, with possible reappointment for an additional two-year term" should be replaced with "four year, with possible reappointment". The rationale behind this recommendation was that the members serve under the pleasure of the President and shall continue to serve within the four years of his administration. Your Committee noted the recommendation during the hearing in Kosrae State.

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On March 9, 2017, your Committee held a public hearing on the bill in Yap State. Vice Chairman Alik L. Alik chaired the hearing. Also in attendance were Assistant Attorney General Johnson Asher, Deputy Director of NORMA Mathew Chigiyal and Program Manager for the Division of Trade and Investment Florian Yatilman.

During the discussion of C.B. No. 19-79, your Committee informed the leadership that essentially the intent of the bill is to enable continuity of the members of the Board of NORMA. Two consecutive terms has created some difficulties for the Board because NORMA has extensive and complicated responsibilities involving both planning and negotiations. With a two year term limit, NORMA would be denied the benefit of a more experienced Board and would spend too much time orienting new members. The leadership of Yap State expressed its support and recommends the passage of the bill.

On March 16, 2017, your Committee held a public hearing on the bill in Chuuk State. Vice Chairman Alik L. Alik chaired the hearing. Other members include Chairman Isaac V. Figir, Senator Robson U. Romolow and you, Speaker Wesley Simina. Also in attendance were Assistant Attorney General Johnson Asher, Deputy Director of NORMA Mathew Chigiyal and Program Manager for the Division of Trade and Investment Florian Yatilman.

During the discussion on the bill, the leadership of Chuuk State recommended the increase in the number of Board members from five to seven members. The recommendation was based on the idea more heads would enhance the function and responsibilities of the Board. Your Committee took note of the recommendation from the leadership.

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On March 27, 2017, your Committee held a public hearing on the bill in Pohnpei State. Chairman David W. Panuelo chaired the hearing. Other members of Congress were Senators Ferny S. Perman, Esmond B. Moses and Joseph J. Urusemal. Also in attendance were the Executive Director of NORMA Eugene Pangelinan, the Deputy Director of NORMA Mathew Chigiyal, the Program Manager for the Division of Trade and Investment Florian Yatilman and the Program Manager for the Division of Quarantine John Wichep.

During the discussion, the leadership was informed that the term limit created some difficulties for the Board. For instance, the Board sometimes find itself without a quorum because of the requirement that review process in the form of the advice and consent requirement for appointments and reappointments.

Another issue that the leadership of Pohnpei suggested was to transfer the confirmation power of members to the state. Your Committee informed the leadership that since each member discharging a national duty, even though they represented the states, they cannot advocate the interests of their states.

It was the position of NORMA that members of the Board should be knowledgeable of NORMA's responsibilities and issues. With the term limit, NORMA has observed that the rate at which a new member gains experience is slower. Thus, the term limit should be repealed.

With regard to the six month limit on the period a sitting member may continue to exercise the powers and duties of membership after expiration of a term, Mr. Pangelinan perceived this as a problem. He stated that with the six month limit, the Board may find itself without a quorum. Consequently, this prolongs the negotiations on some fisheries access agreements.

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Your Committee would like to offer the following amendments as follows:

1. Page 3, lines 9, delete "~~a term of two years~~" and insert "four years", and also delete "~~for~~".
2. Page 3, line 10, delete "~~an additional two year term~~".
3. Page 3, lines 20 and 21, reinstate "the date of the first meeting of the Authority following".
4. Page 3, lines 23 and 24, reinstate "or for a period of six months, whichever is less".

Recommendations of your committee

Your Committee on Resources and Development is in accord with the intent and purpose of C.B. No. 19-79 and recommends its passage on First Reading and that it be placed on the Calendar for Second and Final Reading in the form attached hereto as C.B. No. 19-79,C.D.1.

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Respectfully submitted,

/s/ David W. Panuelo
David W. Panuelo, chairman

/s/ Alik L. Alik
Alik L. Alik, vice chairman

/s/ Victor V. Gouland
Victor V. Gouland, member

/s/ Florencio S. Harper
Florencio S. Harper, member

Berney Martin, member

Joseph J. Urusemal, member

Robson U. Romolow, member