RE: C.R. NO. 20-97/T&C

SUBJECT: TO CONFIRM THE NOMINATION OF MR. TAKURO AKINAGA

JULY 03, 2018

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

Dear Mr. Speaker:

Your Committee on Transportation and Communication to which was referred C.R. 20-97, entitled:

"A RESOLUTION TO CONFIRM THE NOMINATION OF MR. TAKURO AKINAGA TO SERVE AS THE CHIEF EXECUTIVE OF THE OFFICE OF THE TELECOMMUNICATION REGULATION AUTHORITY OF THE FEDERATED STATES OF MICRONESIA.",

begs leave to report as follows:

The intent and purpose of this resolution are expressed in its title.

Your Committee held a hearing on July 2, 2018. The witnesses present included: the nominee, Mr. Takuro Akinaga, the Secretary of the Department of Transportation, Communications, & Infrastructure, Lukner B. Weilbacher, Aaron L. Warren, Project Coordinator, Department of Transportation, Communications & Infrastructure and Leo Falcam, Chief of Staff of the Office of the President.

Your Chairman began the hearing by sharing his confidence in the Secretary's recommendation of the nominee. The Secretary shared that the nominee is qualified for the position and has

RE: C.R. NO. 20-97/T&C

SUBJECT: TO CONFIRM THE NOMINATION OF MR. TAKURO AKINAGA

JULY 03, 2018

extensive experience. The Secretary shared his confidence that the nominee will perform well if confirmed to the position.

Mr. Warren also shared his confidence in the nominee. He indicated he has been working alongside the nominee over the past few months and he feels confident in his abilities to the perform the duties of the job.

Mr. Falcam then spoke of the challenges that will be faced in this new position. He shared that the President's Office believes that there will be an overall benefit to the telecom services in the FSM when this position is filled and the office is functioning. Mr. Falcam referenced the historical expertise of Mr. Akinaga in addition to his outstanding reputation and character and indicated his support for the nomination.

The nominee shared that he believes this role will function to create an environment that operators can compete fairly. He stressed that he has 35 years of experience in telecommunication in technical and management roles and he believes he has a lot to offer the position.

Vice Speaker Moses expressed that he has worked in the past with the nominee and he shares the confidence of others with this appointment.

Senator Perman inquired as to the specifics of the position, whether it will be a full time or part time position. The response was that to for the initial 6-12 months of the appointment, the position will be full time. However, each year the CEO will be required to submit a budget request to the President's Office and they are prepared to make adjustments based on the time requirements of the position. Mr. Falcam expressed that this is not an "on call" position, but rather a day-to-day regulator position. He mentioned that initially a significant amount of time will be utilized by the promulgation of the regulations for the office.

RE: C.R. NO. 20-97/T&C

SUBJECT: TO CONFIRM THE NOMINATION OF MR. TAKURO AKINAGA

JULY 03, 2018

There was discussion regarding how the office will function and Mr. Warren testified that the office is independent and will have a 3-member board. Initially, there will only be 2 members and the CEO will have the final say on decisions. Mr. Warren also pointed out that the regulatory board will not develop national policy, but rather will follow the direction of the President in this area.

The nominee is well known to your Committee, and his many years of faithful government service is also well known. This nominee is dedicated, competent and has great integrity. All witnesses and the Committee have confidence in his ability.

The Committee was very impressed with the nominee's testimony and endorsements by the witnesses during the hearing. In light of the positive comments by the witnesses and the lack of any negative comments regarding this individual, your Committee requests that this nominee be confirmed as the CEO of the Office of the Telecommunication Regulation of the Federated States of Micronesia.

Your Committee would like to offer the following technical amendment to read as follows:

1. Page 1, line 14, delete "Regular" and insert "Special" in lieu thereof.

Your Committee on Transportation and Communication is in accord with the intent and purpose of C.R. No. 20-96 and recommends its adoption in the form attached hereto as C.R. No. 20-96, C.D.1.

RE: C.R. NO. 20-97/T&C

SUBJECT: TO CONFIRM THE NOMINATION OF MR. TAKURO AKINAGA

JULY 03, 2018

Respectfully submitted,

/s/ Victor V. Gouland Victor V. Gouland, chairman

Alik L. Alik, vice chairman

/s/ Florencio S. Harper/s/ Ferny S. PermanFlorencio S. Harper, memberFerny S. Perman, member

/s/ Dion G. Neth Dion G. Neth, member /s/ Wesley W. Simina Wesley W. Simina, member

/s/ Joseph J. Urusemal Joseph J. Urusemal, member