

SPECIAL COMMITTEE REPORT NO. 22-06

RE: COMMITTEE TO WAIT ON THE PRESIDENT

JANUARY 14, 2022

The Honorable Wesley W. Simina  
Speaker, Twenty-Second Congress  
Federated States of Micronesia  
Third Regular Session, 2022

Dear Mr. Speaker:

Your Committee to Wait on the President was duly appointed on January 13, 2022, consisting of members Esmond B. Moses, Joseph J. Urusemal, Aren B. Palik, and Perpetua S. Konman. Senator Esmond B. Moses was designated as the Chairman.

The Committee met with the President on January 13, 2022, at approximately 1:00 p.m., virtually via Zoom, with Senator Esmond B. Moses present in person in Pohnpei and the other members and the President present via Zoom. The President welcomed those members of Congress present and thanked them for attending. Chairman Moses greeted the President and key members of the Executive Branch on behalf of Congress, and expressed appreciation for the opportunity to meet. Chairman Moses reported that Congress was in session and was ready to transact business.

The President began the substantive portion of the meeting by presenting an agenda of action items that the Executive Branch would like to see prioritized during this session and several topics for informational purposes. The President's agenda is as follows:

- Funding for a Chief of Staff
- COVID-19 Update
- ODA Priorities

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- Supplemental Budget Request
- Pending Legislation

The President began by greeting the members of the Committee to Wait on behalf of the Vice President Yosiwo George and his cabinet members. He informed the Chairman Moses of the prepared agenda items that he intends to discuss with the Committee to Wait.

Chairman Moses thanked the President, and informed him that members are here as appointed by the Speaker, and informed the President that Congress is ready to transact business during its Third Regular Session. Chairman Moses clarified that Congress was not able to take up some of the previous measures during the last special session because of the limited number of days to meet. He also informed the President that there are also some issues that Congress wants to discuss with the President after the agenda items provided by the President have been discussed.

Funding for a Chief of Staff

The President stated that the funding for a Chief of Staff in the Office of the President is still needed, as the former Chief of Staff is now committed to assist the JCRP Committee.

COVID-19 Update

The President began the discussion by reporting that there were some changes regarding the repatriation procedure. One of which is the change from 10 days quarantine to seven days.

The President stated the tentative dates for next repatriation flights to the FSM; to Pohnpei it is the 24<sup>th</sup> of January; for Chuuk the 26<sup>th</sup> of January; for Kosrae the 31<sup>st</sup> of January, and Yap on February 6<sup>th</sup>, 2022. He mentioned that the quarantine requirements in Guam have been shortened from ten days to seven.

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The President stated that the financial assistance of \$850,000 from the Government of New Zealand for the COVID-19 last year was already exhausted. He indicated that the general repatriation expenses for a month is around \$100,000 so he will be sending a supplemental request of \$1 million for expenses relating to repatriation related activities. This \$1 million is for ten months.

Senator Urusemal inquired if the funding requested for repatriation is to pay for only FSM citizens or all individuals that are being repatriated. It was clarified that the National Government pays for all individuals who are in pre-quarantine in Guam, for their testing expenses in pre-quarantine and for expenses while in FSM quarantine facilities. The National Government will not pay for airline tickets of any individuals who are being repatriated to the FSM.

There was also discussion on having Honolulu to be a quarantine area for those wanting to come to the FSM. The President informed the Committee to Wait that because of expenses, they still want to retain Guam as the quarantine area. Senator Konman urged the President to inform his appropriate authorities to tell those patients that are planning to come to the FSM to have with them an adequate supply of medicine.

ODA Priorities

The President indicated that he will be sending a resolution on ODA Priorities to Congress for its action. There are six priorities under the ODA, which include:

- Climate Resilient Infrastructure for Outer Island Transport
- Medical Diagnostic Facility
- Pave the Nation Initiative
- Renewable Energy
- Vocational School
- Water Security for the FSM

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The President summarized some of the funding already earmarked for some of these ODA priorities. These are World Bank funding, ADB funding and EU funding.

Supplemental Budget

The President stated that he would be sending over a supplemental request for the following:

- \$1 million for COVID-19 related activities
- \$250,000 for OAE
- \$85,000 for Concon travel needs
- \$2 million for a two story facility for office spaces
- \$50,000 for travel costs for crews on FSS Independence and FSS Micronesia

Pending Legislation

The President thanked the FSM Congress for passing the amendment to the maternity leave legislation. The President provided a list of important pending legislation that included bills addressing the following:

Cybercrimes; non-communicable diseases, passport extension, bunkering and provisioning, penalties for violating prohibited plastic materials, enhance the Secretary of Finance and Administration's tax enforcement capacity, Rome Statute of the International Criminal Court, safe release of sharks, maritime surveillance revolving fund, fisheries policy, and non-government organization.

PII Case Update

The Assistant Attorney General Jun Bacalanco briefed the Committee to Wait on the PII case. Right now, the PII case is now with the Appellate Division of the FSM Supreme Court because the Department of Justice has appealed the FSM Court Trial Division's decision. As of last week the Department of Justice filed its appellant's brief. According to Mr. Bacalando, the issues in the appellant's brief are new issues, which were not discussed in case laws in the FSM. The appellee (PII) has certain number of days to file a

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response. Once all briefs are filed with the Appellate Court, it will set up a date for oral argument. Chairman Moses wanted more clarification on the "arbitration clause" in the contract. Mr. Bacalando stated that the "arbitration clause" is one of the issues the appellant will challenge.

A&P Funding

Chairman Moses informed the President that Congress wants to know in advance the funding for the A&P contract. The President assured Chairman Moses that he will task the Secretary of the Department of Finance and Administration to look into the A&P funding.

Lawsuit on the Vessel partnering with NFC

The President informed the Committee to Wait that he intends to settle the case, and has tasked his appropriate staff to work with the other party.

Northwest Vessel

The President stated that he already discussed with the Secretary of the Department of Finance and Administration and the Secretary of the Department of Justice on the payment of the vessel. The payment on the vessel is a little bit complicated.

Lien Cheng Case

The President informed the Committee to Wait that this case was already settled, and the settlement amount of \$750,000 has already deposited in the FSM General Fund.

Woleai Airport/TA Airport

President stated that he had instructed the Secretary of the Department of Transportation, Communication and Infrastructure to terminate the Woleai contract. That is the status of the Woleai airport contract.

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The President informed the Committee to Wait that there was a new contractor to do the TA Airport. Currently, the contractor is ready to move with the TA airport project.

The President concluded by informing the Committee to Wait on the upcoming R&D Conference to be held in Chuuk State commencing on January 23, 2022.

#### Conclusion

On behalf of the Committee, Chairman Moses thanked the President. The Committee stated that it would share the President's agenda with members of Congress. The meeting concluded with mutual agreement to move forward on the above issues in a timely and cooperative manner.

The Committee kindly requests that members of Congress address any further questions regarding this report to the members of the Committee during discussion of this report at session.

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Respectfully submitted,

/s/ Esmond B. Moses  
Esmond B. Moses, chairman

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

/s/ Aren B. Palik  
Aren B. Palik, member

Perpetua S. Konman, member