

STANDING COMMITTEE REPORT NO. 15-40

RE: C.R. NO. 15-12/W&M

SUBJECT: CONFIRMING THE NOMINATION OF FABIAN  
NIMEA TO BE THE DIRECTOR OF THE OFFICE  
STATISTICS, BUDGET, OVERSEAS DEVELOPMENT  
ASSISTANCE AND COMPACT MANAGEMENT OF THE  
FSM.

SEPTEMBER 24, 2007

The Honorable Isaac V. Figir  
Speaker, Fifteenth Congress  
Federated States of Micronesia  
Second Regular Session, 2007

Dear Mr. Speaker:

Your Committee on Ways and Means ("W&M"), to which was referred C.R. No. 15-12, entitled:

"A RESOLUTION CONFIRMING THE NOMINATION OF FABIAN  
NIMEA TO BE THE DIRECTOR OF THE OFFICE STATISTICS,  
BUDGET, OVERSEAS DEVELOPMENT ASSISTANCE AND COMPACT  
MANAGEMENT OF THE FEDERATED STATES OF MICRONESIA.",

begs leave to report as follows:

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

Your committee faces this nomination with many unanswered questions on the role of this new entity called SBOC. The recent passage of the reorganization bill creating SBOC has not given much time to really gauge the needs of the new Office. In the absence of an actual track record for SBOC, your committee therefore has to rely extensively on the testimony of the witnesses from the Executive.

On September 21, 2007 your committee held a confirmation hearing. Witnesses included the nominee, Roger Mori of the Department of Resources and Development, Consultant (and erstwhile Executive Director of OCM) Epel Ilon, Acting Director of SBOC Ihlen Joseph, the head of the Budget Office within SBOC Resty Shotaro, and FSM Representative on JEMCO Evelyn Adolph. Also present were the nominee's wife and a few friends. Chairman Halbert chaired the hearing. Members of Congress also present included Vice Speaker Moses, Floor leader Joe Suka, Chairmen Nelson, Neth and Urusemal, and Senator Paul.

Prompted for an opening statement, the nominee indicated his gratitude for the nomination. He sees economic management as the central role for SBOC. Other activities, including budget and statistics should be

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coordinated with economic policy. The nominee undertakes, if confirmed, to follow the Strategic Development Plan.

Asked whether he sees SBOC as a staff or a line function, the nominee replied that he views himself as an advisor to the President and a coordinator. Acting Director Joseph added that SBOC was envisioned as being more of a staff function. Representative Adolph reemphasized the need for economic planning and suggested to your committee that even though planning does not appear in the name of the Office of SBOC, as the nominee said economic planning or management is really central to the concept of SBOC and attention should be paid to the staffing of that function.

Your committee was impressed by the credentials of the nominee. A graduate of Xavier, he has a bachelor degree in business management of Creighton University in Nebraska, and an MA in International Relations from the same institution. His MA thesis was The Economic Viability of the Federated States of Micronesia. He testified that in his thesis he argued that the FSM was economically viable provided certain barriers were removed.

The nominee has extensive banking experience, serving as Executive Vice President and Chief Lending Officer of the Bank of the FSM. Director Joseph testified that he is the first Micronesian to hold such high-level executive positions in the Bank of the FSM.

More recently, the nominee was Chief Executive Officer of a consulting firm. He mentioned that should he be confirmed, the consulting practice will not seek government business any longer but will concentrate on commercial clients.

The nominee is also the court-appointed trustee in the bankruptcy of MLFC. His role as a trustee was to come up with a reorganization plan. That plan was completed, the creditors agreed with it, and the plan has been filed with the court. Only implementation remains. There is therefore no major impediment to leaving the trusteeship, but your committee suggested that he should check with the court to prevent any legal problem. He agreed to do so.

All of the other witnesses present wholeheartedly endorsed the nominee. The witnesses also reminded your committee of the need to act quickly in light of the major tasks facing SBOC, including upcoming meetings with JEMCO.

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The nominee's tenure at the Bank of the FSM ended with some controversy but he was able to explain it satisfactorily to your committee.

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Based on his credentials, the testimony of the nominee and the witnesses, your committee is of the opinion that the nominee is a good choice for Director of SBOC, and recommends his confirmation.

Respectfully submitted,

/s/ Dohsis Halbert  
Dohsis Halbert, chairman

/s/ Roosevelt D. Kansou  
Roosevelt D. Kansou, vice chairman

/s/ Moses A. Nelson  
Moses A. Nelson, member

/s/ Claude H. Phillip  
Claude H. Phillip, member

/s/ Fredrico O. Primo  
Fredrico O. Primo, member

Peter Sitan, member

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