

STANDING COMMITTEE REPORT NO. 16-92

RE: C.R. NO. 16-102/R&D

SUBJECT: CONFIRMING THE NOMINATION OF MR. REDLEY KILLION TO THE FSM  
PETROLEUM CORPORATION BOARD OF DIRECTORS

JULY 31, 2010

The Honorable Isaac V. Figir  
Speaker, Sixteenth Congress  
Federated States of Micronesia  
Fourth Special Session, 2010

Dear Mr. Speaker:

Your Committee on Resources and Development, to which was referred  
C.R. No. 16-102, entitled:

"A RESOLUTION TO CONFIRM THE NOMINATION OF MR. REDLEY  
KILLION AS PRIVATE SECTOR REPRESENTATIVE TO THE FSM  
PETROLEUM CORPORATION, BOARD OF DIRECTORS.",

begs leave to report as follows:

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

In Presidential Communication No. 16-245, the President re-nominates  
Mr. Redley Killion to serve on the Board of the FSM Petroleum  
Corporation, and therefore, submitted Mr. Killion's name for  
consideration by Congress. The nominee served on the FSM Petroleum  
Corporation Board as one of the two representing Private Sector since  
April 3, 2008. He served on this Board for a term of two years and his  
term expired on July 2, 2010. On July 27, 2010, the President  
resubmitted Mr. Killion's name for consideration by Congress.

Presidential Communication No. 16-245 outlines Mr. Killion's  
qualifications. The nominee began his public service career with the  
Department of Resources and Development of the Trust Territory in 1974  
before becoming the first director of the Chuuk State Department of  
Resources and Development in 1979. In addition to his duties as director,  
he also served on various National Government boards as a representative of  
Chuuk. Included are the FSM Development Bank, FSM Foreign Investment

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Board, National Fisheries Corporation and the FSM Coconut Development Authority.

Mr. Killion's political career began in 1987 after being elected as the Chuuk State Senator at large to the FSM Congress. Senator Killion served on various Congressional standing committees before becoming the first chairman of the Transportation and Communications Committee during the Sixth Congress and later the chairman of the Resources and Development Committee, a position he continued to hold through the Tenth Congress. In March, 1999, after being re-elected to the Chuuk at-large seat of Congress, Senator Killion was elected as the Sixth Vice-President of the FSM. The Thirteenth Congress returned Vice President Killion to that office.

It is noted that 214(a)(1)(f) requires that two of the directors appointed by the President with the advice and consent of Congress must come from a list of private sector candidates nominated by the four State governors. It is further noted that, while all of the members of the Petroleum Corporation Board must have some experience in public administration, environmental matters, finance, or oil and gas distribution, at least one of the two appointed under subsection (1)(f) from the private sector must have "special knowledge and capacity in the field of oil and gas distribution." Section 214(a)(3) disqualifies from service on the Board any person who either personally or has immediate family members with "any pecuniary interest in any business or entity which derives any part of its revenue from the distribution of oil or gas in the Federated States of Micronesia."

Your Committee on Resources and Development finds that Mr. Killion possesses the necessary qualifications that qualifies him to be a member of the FSM Petroleum Corporation Board, and therefore, in full accord with the intent and purpose of C.R. No. 16-102, and recommends its adoption.

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Respectfully submitted,

/s/ Roger S. Mori  
Roger S. Mori, chairman

/s/ Tony H. Otto  
Tony H. Otto, vice chairman

/s/ Peter M. Christian  
Peter M. Christian, member

Dion G. Neth, member

/s/ Peter Sitan  
Peter Sitan, member

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

/s/ Paliknoa K. Welly  
Paliknoa K. Welly, member