

STANDING COMMITTEE REPORT NO. 18-71

RE: C.R. NO. 18-37/T&C

SUBJECT: GRANT APPLICATION TO WORLD BANK IN THE
AMOUNT OF \$500,000

DECEMBER 02 2013

The Honorable Dohsis Halbert
Speaker, Eighteenth Congress
Federated States of Micronesia
Second Special Session, 2013

Dear Mr. Speaker:

Your Committee on Transportation and Communications, to which was referred C.R. No. 18-37, entitled:

"A RESOLUTION APPROVING AN APPLICATION FOR FINANCIAL ASSISTANCE IN THE AMOUNT OF \$500,000 TO THE WORLD BANK, TO FUND THE STRENGTHENING OF LEGAL, REGULATORY, AND INSTITUTIONAL FRAMEWORK OF TELECOMMUNICATION SERVICES IN THE FEDERATED STATES OF MICRONESIA.",

begs leave to report as follows:

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

The President has submitted for approval a resolution for an "application" for a \$500,000 grant from the World Bank for assistance. Your Committee has conducted extensive meetings and hearings on the purpose of this grant. We have received contradictory reports as to the purposes of this grant. For example, your Committee was informed at one point that \$200,000 of the grant were to be earmarked for drafting of liberalization

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legislation. However, a 135-page liberalization bill has already been introduced to Congress as C.B. No. 18-77, therefore vitiating the need to allocate part of the grant for legal drafting.

Rather than pursue answers as to the purposed intent of the grant, your Committee recommends that the use of the grant funds set in this manner:

- \$200,000 for Telecom;
- \$100,000 for the Department of TC&I; and
- \$100,000 for Congress

for the purpose of seeking impartial technical and legal advice to deal with the many issues arising out of liberalization of the fiber optic cable.

If it is not possible for the grant to be used in this way then your Committee recommends that the grant be disapproved.

Your Committee recommends the following amendments to the approval resolution.

1. Page 1, line 14, after "World Bank" delete "; and" and insert ":" in lieu thereof.
2. Page 1, line 14, after "World Bank" insert the following:

- \$200,000 for Telecom
- \$100,000 for the Department of TC&I
- \$100,000 for Congress

Your Committee recommends adoption of the resolution, as amended, attached hereto as C.R. No. 18-37, C.D.1.

Respectfully submitted,

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/s/ Peter M. Christian
Peter M. Christian, chairman

/s/ Victor Gouland
Victor Gouland, vice chairman

/s/ Isaac V. Figir
Isaac V. Figir, member

/s/ Dohsis Halbert
Dohsis Halbert, member
(Do not concur)

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

/s/ Wesley W. Simina
Wesley W. Simina, member
(w/reservation)

/s/ Paliknoa K. Welly
Paliknoa K. Welly