

SPECIAL COMMITTEE REPORT NO. 18-01

RE: COMMITTEE TO WAIT ON THE PRESIDENT

MAY 14, 2013

The Honorable Dohsis Halbert
Speaker, Eighteenth Congress
Federated States of Micronesia
First Regular Session, 2013

Dear Mr. Speaker:

Your Committee to Wait on the President, consisting of members Wesley W. Simina, Peter M. Christian, Joseph J. Urusemal, and Yosiwo P. George, Chairman of the Committee, was duly appointed on May 11, 2013.

The Committee met with President Manny Mori and Vice President Alik L. Alik on May 13, 2013. Also in attendance were members of the President's cabinet and staff.

President Mori opened the meeting by welcoming everyone present, and extended his thanks for meeting early in the session and then turned the floor to Chairman George.

Chairman George greeted the President and Vice President, members of the cabinet and staff on behalf of Congress and thanked them for the opportunity to meet with them regarding the upcoming session. Chairman George reported that Congress had convened and was ready to transact business. Chairman George relayed that the Committee was ready to hear from the Executive regarding any messages to Congress or specific items of importance to the Executive this session. Chairman George recognized that much of the focus this session will be on the FY14 Budget, and noted that all items not acted on by the 17th Congress will need to be resubmitted to the 18th Congress.

The President returned his warm regards for your Committee and the Congress in general. The President also offered his heartfelt congratulations to Congress for the smooth transition on the opening day of session. The President

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stated that he and his staff are prepared to work on many items this session, and are always available to Congress. President Mori stated that many items from the 17th Congress will be resubmitted, and will be resent on a priority basis.

In addition to the FY14 Budget, the President highlighted the following areas of importance to the Executive:

- (1) A supplemental budget. The supplemental was incomplete when considered last session, and the President asks that Congress consider funding some, if not all, of the requests.
- (2) Review and approval of FSM Trust Fund legislation to set up a framework for that account. The President suggested that part of that account could be earmarked for calamities, and part for operational emergencies and shortfalls. The target of that account is \$50 million by 2023. Another reason for a formal framework is to have a fund in place to accept and deposit grant funds from development partners, for example the United Nations, when there are funds designated to prepare for possible needs, such as climate change.
- (3) Other items include nominations that died with the 17th Congress, ODA policies, and grants that will be resubmitted. The President also would like to deliver a State of the Nation address, but asked for flexibility regarding the date of delivery, as he will be off-island for a medical referral for two weeks starting tomorrow.

The President stated that his cabinet members and staff have been instructed to be on-island and available to Congress, and to provide as much information as Congress may request.

In response to a question from Chairman George, the President stated there might be some legislation forthcoming as a result of the symposium last week. Regarding the President's request to review ODA policies, Chairman George stated that there might be a need to clarify policies regarding acceptance of grants and outside assistance.

Regarding the supplemental, Senator Urusemal asked if the requests would be highlighted and prioritized by need. The

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President informed the Committee that he has a meeting this afternoon regarding cash flow, and there may be changes to the supplemental based on the result of that meeting. The President is confident there are the necessary funds for all of his requests, and is meeting with his staff in order to give assurance to the Congress of such. Senator Urusemal requested for the supplemental items that come to the Committee on Education, that the witnesses at the hearing come prepared with expenditure reports, or even submit the reports ahead of the hearings if possible. President Mori affirmed that he will relay that request to all Departments.

Senator Christian extended on behalf of Congress well wishes to the President for his trip to the Philippines starting tomorrow.

Senator Simina expressed gratitude for the opportunity to serve on the Committee and meet with the President. As the new Chairman of the Committee on Judiciary and Governmental Operations, Senator Simina asked that departments at the committee hearings be prepared, and recognized that the session is short but the Committees will be doing their best to accomplish as much as possible.

President Mori stated he will ask his staff to be prepared to answer all inquiries regarding the FY14 Budget, and also requested that Congress seriously consider a set-aside of \$10 million per year built into the Budget, in addition to the \$3 million for the trust fund. The \$10 million set-aside would be designated, as a source to be used if a specific investment opportunity arises that would be in the Nation's best interests. Chairman George asked for clarification regarding how that fund would be accessed and whether any investments made from that fund would need to be reviewed and sanctioned by Congress. Senator Christian recommended that it would be best to have such policies regarding the framework of the fund and how it will be used and accessed detailed in written form.

Chairman George thanked the President, Vice-President and their cabinet and staff for their time and stated he would advise the Congress of their discussion.

The meeting closed with joint expressions of appreciation

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and wishes for a productive Congressional Session.

Respectfully submitted,

/s/ Yosiwo P. George
Yosiwo P. George, chairman

/s/ Wesley W. Simina
Wesley W. Simina, member

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

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