

STANDING COMMITTEE REPORT NO. 19-112

RE: C.B. NO. 19-34/EX AFF

SUBJECT: PROVIDING FOR AN OFFICE OF VETERAN'S
AFFAIRS

FEBRUARY 10, 2016

The Honorable Wesley W. Simina
Speaker, Nineteenth Congress
Federated States of Micronesia
Third Regular Session, 2016

Dear Mr. Speaker:

Your Committee on External Affairs, to which was referred C.B. No. 19-34, entitled:

"A BILL FOR AN ACT TO AMEND SECTION 204 OF TITLE 2 OF
THE CODE OF THE FEDERATED STATES OF MICRONESIA
(ANNOTATED), TO PROVIDE FOR AN OFFICE OF VETERAN'S
AFFAIRS, AND FOR OTHER PURPOSES.",

begs leave to report as follows:

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

Public Hearing

Your Committee conducted a public hearing on the bill on February 9, 2016.

In attendance at the hearing were representatives from the Department of Foreign Affairs, the Department of Justice, and the Office of the President.

Your Committee Chairman opened the hearing and welcomed the witnesses.

The representative from the Department of Foreign Affairs explained

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that his office thinks that the concept of an Office of Veteran's Affairs is a very good proposal, but that he was not in a position to speak to the operational details of such an office. Those details would be at the discretion of the Department of Justice and the Office of the President. He further explained that he was aware of informal groups of veterans who strive to be mutually supportive and to interface with the U.S. Embassy in relation to issues affecting veterans.

The representative from the Office of the President provided a great many details related to the potential operation of an Office of Veteran's Affairs. He emphasized that this is an important initiative, and he thanked your Committee for considering the establishment of such an office especially given the increase over the past 15 years in the number of FSM citizens serving in the U.S. Armed Forces. He explained that given the number of veterans in the FSM, a national level focal point makes sense. The primary need to be met by such an office would be to ensure that all FSM veterans obtain all the benefits for which they are eligible from the U.S. Department of Veterans Affairs. The new office would centralize all efforts in this regard. The second function of the new office would be to try to harness the significant skills that FSM veterans possess especially in times of natural disasters. For example, many veterans possess leadership, management, and training skills that could contribute significantly in volunteer and community efforts as well as in disaster relief.

The representative from the Office of the President outlined an initial structure for the new office with the caveat that over the first three to five years such structure might evolve before solidifying in response to veterans' needs. He explained that initial staffing might be two to four employees: one to head the office, one for administrative support, one benefits specialist, and one community organizer. He also explained that there would be an effort to capitalize on the successes of the informal veterans

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assistance groups that are currently in existence. For example, a group on Kosrae has been very effective. He concluded by thanking your Committee again for the consideration of establishing this office, which is worthwhile and overdue.

Your Committee posed a variety of questions to the witnesses. Your Committee inquired as to what the reaction from other countries, China in particular, might be to the establishment of this new office. The representative from the Department of Foreign Affairs explained that he does not think the new office's establishment would cause any issues because its purpose would be to assist FSM citizens after they return home from military service.

Your Committee asked if the witnesses could provide specific examples of benefits that FSM veterans are not currently receiving. The witnesses explained that there are two primary examples. First, FSM veterans are not able to access Veterans Affairs approved loans for housing. Second, they are having difficulty accessing Veterans Affairs approved medical treatment. In contrast, one benefit that FSM veterans are successful in accessing is educational benefits. The witnesses further explained that establishing a new office at the national level would assist the FSM in potentially advocating for legislative changes in the U.S. Congress, which would be required to rectify these problems with respect to housing and medical benefits.

Your Committee asked the witnesses to explain the status quo with respect to the ability of FSM veterans to access medical benefits at this point in time. The witnesses explained that for some veterans, they must travel to Guam for treatment. The crux of the problem lies with the fact that it is incredibly difficult and complicated to navigate the bureaucracy of the U.S. Department of Veterans Affairs. One big problem for many FSM veterans is the fact that they must pay the cost of travel to Guam up front and then submit for reimbursement at a later date. The witnesses explained that they have discussed the possibility of having the U.S. Department of Veterans Affairs

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send mobile medical assessment units to the FSM, but that this still would not address the issue of whether treatment provided in the FSM would be approved for payment by the U.S. Department of Veterans Affairs.

Your Committee inquired about and expressed its concern that enthusiasm and momentum for progress on this issue was lost from years ago when both the FSM and the U.S. seemed engaged about addressing the lack of benefits availability for FSM veterans. The witnesses explained that, although this issue was mentioned in the past at Joint Committee Meetings (JCM), it was never officially included on the JCM agenda given the preference by the U.S. to address these issues in a bilateral manner. Your Committee expressed the hope that establishment of the new office might revive the FSM relationship with the U.S. and that, although a bill like this one should have been introduced long ago, it is not too late.

Your Committee asked whether establishment of the new office would make it easier for FSM citizens to the join the U.S. Armed Forces. The witnesses explained that they could not predict how the office might evolve, but if the choice was made to make the new office serve as a conduit for recruitment, then progress could be made on this front as well.

Your Committee finally inquired as to whether it would make more fiscal sense to house the functions of the proposed new office in a new division within an existing department rather than creating an entirely new office. The witnesses explained that creating a stand-alone office would have the effect of elevating these issues and that this choice reflects the preference of the current administration.

Your Committee on External Affairs is in accord with the intent and purpose of C.B. No. 19-34 and recommends its passage on First Reading and that it be placed on the Calendar for Second and Final Reading in the form attached hereto.

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Respectfully submitted,

/s/ Paliknoa K. Welly
Paliknoa K. Welly, Chairman

/s/ Robson U. Romolow
Robson Romolow, Vice Chairman

/s/ Isaac V. Figir
Isaac V. Figir, Member

/s/ Victor V. Gouland
Victor V. Gouland, Member

/s/ Berney Martin
Berney Martin, Member

/s/ Bonsiano F. Nethon
Bonsiano F. Nethon, Member

/s/ David W. Panuelo
David W. Panuelo, Member