



**ELEVENTH LEGISLATURE OF THE STATE OF YAP**

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Vice Speaker  
**Theodore (Ted) Rutun**

Floor Leader  
**Terrence R. Fong**

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February 25, 2026

Standing Comm. Report No. 11-204  
Re: Bill No. 11-201

The Honorable Nicholas Figirlaarwon  
Speaker  
Eleventh Legislature of the State of Yap  
Fourth Regular Session, 2026

*Adopted  
2/25/26*

Dear Mr. Speaker:

Your Committee on Finance, to which was referred Bill No. 11-201, entitled,

“A BILL FOR AN ACT TO APPROPRIATE THE SUM OF \$1,452,609.60 FROM THE GENERAL FUND OF THE STATE OF YAP FOR THE PURPOSE OF FUNDING THE PURCHASE OF GOVERNMENT EQUIPMENT DURING FISCAL YEAR 2026, AND FOR OTHER PURPOSES.”,

beg leave to report as follows:

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

On January 9, 2025, then Governor Charles Chieng transmitted his request for Legislative appropriation under the General Fund. The request, totaling \$1,147,845.42 for purchase of certain heavy equipments for the Department of Public Works and Transportation and the Sea Port leased to Waab Transportation. It was designated as Governor’s Communication No. 11-325 and assigned to your Committee.

During the review of the Compact Budget request, your Committee included the request for Sea Port equipment with the authorizing resolution in order to tap carryover Compact funding from previous years. [see YSR 11-85, SCR 11-139]. The National Government responded that the equipment would not be funded as there are no procedures yet in place for disbursement of Account 3, which the resolution addressed (Nat. Gov. Comm No. 11-44). The equipment remained unfunded.

Recently, after multiple discussions on the emergency needs at the port for the container handler and forklift as it is vital to our shipping, your Committee, along with the Committee on Resources, Education and Development, met with the WTC. As a result, we received an updated quote in Miscellaneous Communication No. 11-124, which is assigned to your Committee on Finance.

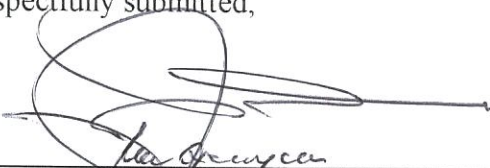
In today's session, Floor Leader Terrence R. Fong, by request, is introducing Bill No. 11-201 for purchase of the container handler for the Yap State Sea Port. It is assigned to your Committee for handling.

We have discussed the matter and there are still outlying concerns that this Committee would recommend the Administration resolve to ensure fiscal responsibility.

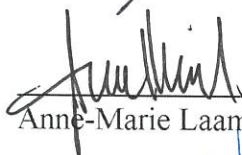
1. The distinction must be made that the equipment to be purchased remains Yap State government property. We hope this is addressed by amending the current lease agreement for the port with Waab Transportation Company to include the specific government owned equipment, or enter into a new agreement focused on the equipment.
2. The administration should comply with the applicable laws regarding purchase of fixed assets. Proper procedures must never be ignored in favor of convenience, and the process of undergoing an RFP is specifically for this purpose.
3. Your Committee changed the contingency on the request to 5% from the requested ten percent. We have further adjusted and corrected some of the figures in the request to reflect accurately and removed the line item for State tax as there would not be a need for such payment. To save time, we have asked Floor Leader to implement these adjustments to the introduced version of the bill.
4. It is proper that the Governor does the purchase or designate an appropriate department or agency to purchase the equipment for transparency purposes. It is also consistent with our laws.
5. In recommending this funding under General Fund, we have almost diminished the projected revenue for the current fiscal year. It is our hope that the Administration scrutinize each and every future request to ensure it is still within the calculations, as submitted to this Legislature.

Therefore, your Committee is in accord with the intent and purpose of Bill No. 11-201 and recommends passage on first and final reading in its original form.

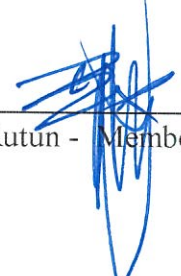
Respectfully submitted,

  
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Pius Talimeisei - Chairman

2/25/20  
Date

  
\_\_\_\_\_  
Anne-Marie Laamar - Vice Chairman

2/25/20  
Date

  
\_\_\_\_\_  
Ted Rutun - Member

2/25/20  
Date