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September 17, 2026

Standing Comm. Report No. 11-242
Re: Bill No. 11-248

adopted 9/17/26

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

Dear Mr. Speaker:

Your Committee on Finance, to which was referred Bill No. 11-248, entitled,

> "A BILL FOR AN ACT TO AMEND YAP STATE LAW NO. 11-165, BY AMENDING SECTION 3, FOR THE PURPOSE OF EXTENDING THE LAPSE DATE OF FUNDS FOR THE YAP INVESTMENT TRUST TO USE FOR DEFRAYING EXPENSES OF DIVING SEAGULL, INC. FOR FISCAL YEAR 2027, AND FOR OTHER PURPOSES.",

beg leave to report as follows:

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

On September 7, 2026, Governor Francis Itimai transmitted his request for extension of funds originally appropriated under Yap State Law No. 11-165 to defray expenses of Diving Seagull, Inc. pending receivership. The transmittal was designated as Governor's Communication No. 11-612 and assigned to your Committee. In his communication, Governor conveyed that the schedule for receivership, which has been filed at Yap State Court, "will officially commence in October 2026" - a date well into FY2027.

Floor Leader Terrence R. Fong, by request, is introducing Bill No. 11-248, the requisite bill for the request, in today's session with the assignment to your Committee on Finance.

Your Committee reviewed the request and found the information provided sufficient for consideration and recommendation. There would not be a need for public hearing. Keeping in mind that bankruptcy proceedings are still currently underway, and with the judicial orders prevailing in the matter, it is a compelling reason to recommend the funds and obligations thereof remain available into the next fiscal year (FY2027). Therefore, with no real issue in delaying the passage of the bill, and with the impending end of the current fiscal year, your Committee sees fit to concur with the Governor.

Your Committee would maintain that YIT, as receiver of this appropriation, does continue to maintain proper recording and reporting on the funds appropriated.

Therefore, your Committee is in accord with the intent and purpose of Bill No. 11-248 and recommends passage on first and final reading in its original form.

Respectfully submitted,

Pius Talimeisei - Chairman — 9/17/26 Date

Anne-Marie Laamar - Vice Chairman — 9/17/26 Date

Ted Rutun - Member — 9/17/26 Date