LEVENTH LEGISLATURE OF THE STATE OF YAP
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September 17, 2026

Standing Comm. Report No. 11-244
Re: Bill No. 11-233

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. 11-233, entitled,

> "A BILL FOR AN ACT TO APPROPRIATE $105,650 FROM THE GENERAL FUND OF THE STATE OF YAP FOR THE PURPOSE OF PROVIDING INVESTMENT FUNDING FOR CAPITAL AND OPERATIONS OF ISLAND VCO, INC. DURING 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 August 5, 2026, Senator Pius Talimeisei introduced Bill No. 11-233, and it is to provide funding for a request received by the Legislature, Speaker Figirlaarwon, on July 22, 2026 through email. The request for $105,650 is to provide initial capital for State investment into Island Virgin Coconut Oil Enterprise (VCO, Inc.), a small pilot project designed to utilize available resources to potentially supplement education expenses for students at Faith Christian Academy and provide employment. The supporting documents are found in the main file for Bill No. 11-233.

Your Committee conducted a public hearing on Tuesday, September 8, 2026 at 10:00 am. The witnesses present was Paul Zimmer (founder of FCA) and Bernard Gorong, R&D Director. Other members of the Legislature were also present, including Speaker, Vice Chairman of RED, Floor Leader, and Vice Speaker. Mr. Zimmer took the opportunity to present the idea and intent for the project, which would entail supporting local employment for the process. He had also presented the finished product to the members present as an example of what the enterprise would be selling.

Your Committee reviewed the funding request, along with the submitted plans and documents and found the idea is a feasible investment for the State, given the many expected benefits to the local community.

The idea has merit, and the Director of R&D has reported that he is aware of the project and is looking forward to working closely with the enterprise to ensure its success and perhaps to expand into more areas. Your Committee is confident in recommending funding of this project, but would further ensure that the funding is expended properly in accordance with government procedures and requirements.

On a separate note, your Committee would recommend that such projects should have been endorsed and worked on with the appropriate government agency established for investment purposes - Yap Investment Trust. However, with the current circumstances with other State investments that YIT is dealing with, and with the need for this particular project to get started as soon as possible, your Committee would recommend this appropriation in the meantime.

Therefore, your Committee is in accord with the intent and purpose of Bill No. 11-233 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