

S.C.R. NO. 13-8

COMMITTEE ON WAYS AND MEANS

JUNE 2, 2003

Your Committee on Ways and Means, to which was referred C.B. No. 13-14, entitled:

"A BILL FOR AN ACT TO ESTABLISH LAPSE DATES FOR CERTAIN PUBLIC PROJECT APPROPRIATIONS, AND FOR OTHER PURPOSES.”,

begs leave to report as follows :

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

The subject bill would lapse, as of September 30, 2003, the last day of the current fiscal year, all funds previously appropriated during the Eleventh and all prior Congresses of the Federated States of Micronesia for public projects in the States. The bill would also require the Department of Finance and Administration to provide Congress with a report indicating how much money is left in each public project account, the designated allottee for each public project and the date that such funds were appropriated. Furthermore, the bill would require the Department of Finance and Administration to notify every allottee affected by this bill of the change in lapse dates.

Based on reports received from, and testimony given by representatives of the Department of Finance and Administration, your committee believes that there are numerous small balances sitting in old project accounts which were established by non-lapsing appropriations. Many of these balances are too small to accomplish anything of value on the project for which they were appropriated, but, lumped together with the remaining balances from all other projects, may represent a significant amount to our National Government. This bill would also allow the Department of Finance and Administration to close out old accounts, thereby enabling the department to provide Congress with a much clearer picture of the financial status of the Nation. Your committee believes that, at this time of financial strain on the National Government, the passage of this bill would be a sensible and productive action.

For the foregoing reasons, your Committee on Ways and Means is in accord with the intent and purpose of C.B. No. 13-14 and recommends its passage on First Reading and that it be placed on the Calendar for Second and Final Reading.

Signed by Senators Asor, Kansou, Asugar, Figir, Phillip, Christian and Halbert