

STANDING COMMITTEE REPORT NO. 15-160

RE: C.B. NO. 15-168/W&M

SUBJECT: AMENDMENT TO PUBLIC LAW NO. 15-32

DECEMBER 1, 2008

The Honorable Isaac V. Figir
Speaker, Fifteenth Congress
Federated States of Micronesia
Fifth Special Session, 2008

Dear Mr. Speaker:

Your committee on Ways and Means, to which was referred C.B. No. 15-168, entitled:

"A BILL FOR AN ACT TO FURTHER AMEND PUBLIC LAW NO. 15-32, AS AMENDED, BY AMENDING SECTION 1 THEREOF, TO CHANGE THE USE OF CERTAIN FUNDS PREVIOUSLY APPROPRIATED THEREIN FOR THE STATE OF POHNPEI, AND FOR OTHER PURPOSES.",

begs leave to report as follows:

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

Public Law No. 15-32 is an appropriation act, which appropriated a sum of \$3,780,000, or so much thereof from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 2008. Public Law No. 15-32 was later amended by Public Laws Nos. 15-36, 15-44 and 15-57.

The original intent of the said bill, C.B. No. 15-168, is to change the use of certain funds previously appropriated for Pohnpei State, particularly Election District No. 1. Your Committee has proposed certain amendments to the said bill to also change the use of certain funds previously appropriated for Chuuk State Election Districts Nos. 3 and 5, Yap State and Kosrae State, and to change the allottee of certain funds previously appropriated for Kosrae State.

The proposed amendment for Pohnpei State is to use the balance of \$90,000 originally appropriated for Pohnpei State Election District No. 1 for "Peidi road construction", which is \$48,400, to fund a new line item, "Peidi road concrete" project. Furthermore, there is another proposal to take \$10,000 from the \$40,000 previously appropriated for the operation of Election District No. 1, as reflected in subsection 3((ii) of section 1 of this act, and use it to fund a new line item for "Sekere retaining wall".

For the State of Kosrae, the first amendment is to change the use of the \$8,000 that was previously appropriated for "Office of

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International Epizooties Annual Membership Fee" for "Supplemental funding for a Master Degree Program". Also, to change the allottee of funds for "Tafunsak Multipurpose Building renovation" as reflected in subsection (1) (1) of this Section 1 of this act, from the President or his designee to Mayor of Tafunsak Municipal Government.

For the State of Chuuk, particularly in Election District No. 3, the first proposed amendment is to change the use of funds previously appropriated for "Community meeting halls repairs" to "Public facilities repair and improvement in the amount of \$33,000". Another proposed amendment is to reallocate the balance of \$10,000 from the \$100,000 appropriated for "Land purchase" for Chuuk State Election District No. 5. to "POL & Charter" line item.

For the State of Yap, the proposed amendment is to change the use of the \$30,000 previously appropriated in subsection 2(t) of section 1 of this act from "Woleai Airport Terminal Building" to "Boats & motors for Seliap & Tegailap, Woleai".

Your committee wishes to convey that these are old money and not new money, therefore these proposed amendments are merely shifting of funding. According to records from the Office of SBOC, the funds previously appropriated herein are still available, and shall not lapse until they are fully expended.

Your Committee wishes to offer the following amendments:

1. Title, line 1, after "amending", delete "Section 1", and insert "Sections 1 and 2", in lieu thereof.
2. Title, line 2, after "use", insert "and allottee"
3. Title, line 3, after "the", delete "State of Pohnpei", and insert "States of Pohnpei, Chuuk, Kosrae and Yap" in lieu thereof.
4. Page 3, lines 9 and 10, delete "Office of International Epizooties Annual Membership Fee", and insert "Supplemental Funding for a Master Degree Program" in lieu thereof.
5. Page 5, line 9, delete "Woleai Airport Terminal Building", and insert "Boats & motors for Seliap & Tegailap, Woleai" in lieu thereof.
6. Page 6, line 1, delete "40,000" and insert "30,000"
7. Page 6, between lines 9 and 10, insert "(viii) Sekere retaining wall" 10,000".
8. Page 12, line 14, delete "Community meeting halls repairs 0", and insert "Public facilities repair and improvement 33,000"

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- in lieu thereof.
9. Page 14, line 12, delete "35,000", and insert 44,000" in lieu thereof.
 10. Page 15, line 1, delete "100,000", and insert "81,000" in lieu thereof.
 11. Page 15, between lines 7 and 8, insert a new section to read as follows:

"Section 2. Section 2 of Public Law No. 15-32, as amended, by Public Law No. 15-36 and 15-57, is hereby further amended to read as follows:

"Section 2. Allotment and management of funds and lapse date. All funds appropriated by this act shall be allotted, managed, administered and accounted for in accordance with applicable laws, including, but not limited to the Financial Management Acts of each of the State, the Financial Management Act of 1979 and the amended Compact of Free Association between the United States Government and the Government of the Federated States of Micronesia and its related agreements. The allottee shall be responsible for ensuring that these funds, or so much thereof as may be necessary, are used solely for the purpose specified in this act, and that no obligations are incurred in excess of the sum appropriated. The allottee of the funds appropriated under subsections (4) (a), (c), (d), (e) and (f) of section 1 of this act shall be the Chuuk State Commission on Improvement Project. The allottee of funds appropriated under subsections 1, 3, and 4(b) of section 1 of this act shall be the President of the Federated States of Micronesia or his designee, EXCEPT THAT the allottee of funds appropriated under subsection (1) (1) of section 1 of this act shall be the Mayor of Tafunsak Municipal Government. The allottee of funds appropriated under subsection (2) of section 1 of this act shall be the Governor of the State of Yap. The funds appropriated by this act shall remain available until fully expended."

10. Page 15, line 8, delete "Section 2.", and insert "Section 3." in lieu thereof.

Your Committee on Ways and Means is in accord with the intent and purpose of C.B. No. 15-168 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 as C.B. No. 15-168, C.D.1.

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Respectfully submitted,

/s/ Dohsis Halbert
Dohsis Halbert, chairman

/s/ Setiro Paul
Setiro Paul, member

Moses A. Nelson, member

/s/ Claude H. Phillip
Claude H. Phillip, member

Fredrico O. Primo, member

/s/ Peter Sitan
Peter Sitan, member

Joseph J. Urusemal, member