STANDING COMMITTEE REPORT NO. 16-04

RE: C.B. NO. 16-18/W&M

SUBJECT: AMENDMENT TO PUBLIC LAW NO. 15-80

MAY 25, 2009

The Honorable Isaac V. Figir
Speaker, Sixteenth Congress
Federated States of Micronesia
First Regular Session, 2009

Dear Mr. Speaker:

Your Committee on Ways and Means, to which was referred C.B. No. 16-18, entitled:

> "A BILL FOR AN ACT TO AMEND SECTION 1 OF PUBLIC LAW NO. 15-80 TO CHANGE THE USE OF CERTAIN FUNDS PREVIOUSLY APPROPRIATED THEREIN FOR PUBLIC PROJECTS AND SOCIAL PROGRAMS IN THE STATES OF POHNPEI AND CHUUK, AND FOR OTHER PURPOSES.",

begs leave to report as follows:

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

In Public Law No. 15-80, an amount of $540,000 was appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 2009 to fund the T-3 Program Operation and public projects and social programs in each State of the Federated States of Micronesia.

The intent of C.B. No. 16-18 is to modify the use of certain funds previously appropriated in this Act, especially for two Election Districts in Pohnpei State (ED#1 and ED#3) and one Election District in Chuuk State (ED#2).

Election District No. 1, Pohnpei State
In Section 1(3)(b)(ii) of this Act, a sum of $30,000 was previously appropriated to fund "Road improvement" in Election District No. 1, Pohnpei State. One of the proposed amendments in C.B. No. 16-18 is to use a sum of $26,000 of the $30,000 to fund a new line item - "Project

Management", and the remaining $4,000 to fund another new line item - "Matching for Roie retaining wall".

Election District No. 3, Pohnpei State
In Section 1(3)(d)(i) of this Act, a sum of $35,000 was previously appropriated to fund "Road improvement project" in the said election district. Another proposed amendment in C.B. No. 16-18 is to modify the use of the $35,000 to fund several line items within the same election district as follows: $12,000 for Nett Sports complex; $7,000 for U Municipal government subsidy; $5,000 for Pingelap Municipal government subsidy; $5,000 for Mwoakiloa Municipal government subsidy; and $6,000 to supplement the ED #3 operation.

Election District No. 2, Chuuk State
In Section 1(4)(c) of this Act, a sum of $25,000 was previously allocated to fund improvement, repair and renovation of meeting halls in several location in Election District No. 2, Chuuk Statte. The proposed amendment is to modify the use of the $25,000 to fund three new line items as follows: (i) ED #2 operation, (ii) Northern Namoneas Development Authority (NNDA) operation and (iii) Leadership travel.

Your Committee wishes to convey that this is old money and not new money and the funds have not been allotted and expended. Furthermore, your Committee proposes the following amendments to C.B. No. 16-18:

1. Page 2, line 12, delete the line item in its entirety.
2. Page 2, line 13, delete "(g)" and insert "(f)" in lieu thereof and, delete "20,000" and insert "23,000" in lieu thereof.
3. Page 2, line 14, delete "(h)", and insert "(g)" in lieu thereof.
4. Page 2, lines 20 to 25, delete them in their entirety.
5. Page 3, line 1, delete "(j)", and insert "(i)" in lieu thereof.

Your Committee on Ways and Means is in accord with the intent and purpose of C.B. No. 16-18 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. 16-18,C.D.1.

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Respectfully submitted,

/s/ Dohsis Halbert
Dohsis Halbert, chairman

Claude H. Phillip, vice chairman

/s/ Roger S. Mori
Roger S. Mori, member

/s/ Setiro Paul
Setiro Paul, member

Fredrico O. Primo, member

/s/ Peter Sitan
Peter Sitan, member

/s/ Joseph J. Urusemal
Joseph J. Urusemal, member