

STANDING COMMITTEE REPORT NO. 16-57

RE: C.B. NO. 16-72/W&M

SUBJECT: APPROPRIATION OF \$199,000

JANUARY 28, 2010

The Honorable Isaac V. Figir
Speaker, Sixteenth Congress
Federated States of Micronesia
Third Regular Session, 2010

Dear Mr. Speaker:

Your Committee on Ways and Means, to which was referred C.B. No. 16-72, entitled:

"A BILL FOR AN ACT TO APPROPRIATE THE SUM OF \$199,000 FROM THE GENERAL FUND OF THE FEDERATED STATES OF MICRONESIA FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2010, FOR THE PURPOSE OF FUNDING ECONOMIC AND SOCIAL PROJECTS AND PROGRAMS IN THE STATES OF KOSRAE, 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.

Your Committee on Ways and Means has considered this bill to appropriate \$199,000 from the General Fund of the Federated States of Micronesia for the fiscal year 2010 and noted that the sum of \$199,000 is an aggregate amount from the vetoed line items in Public Law No. 16-18.

During the Committee's deliberation on this bill, the Committee decided to fund the same line items that were vetoed by the President in Public Law No. 16-18. The Committee commented that the same line items that were vetoed were actually reflected in previous appropriation laws. For instance, "Project Management" appeared in various Public Laws in the past. Furthermore, the lack of funding for "Project Management" is an indication that all projects that were funded were implemented without a proper Project Manager or an entity that oversees the implementation of the projects. In light of this anomaly, the Committee wishes to know who usually implement Projects

STANDING COMMITTEE REPORT NO. 16-57

RE: C.B. NO. 16-72/W&M

SUBJECT: APPROPRIATION OF \$199,000

JANUARY 28, 2010

that were already funded in all the States since implementation of projects is not a legislative authority.

Second, there appears to be an inconsistency of line item veto, especially when one line item with the same language has appeared in subsequent line items in Public Law No. 16-18, especially the use of the term "Public Facilities" in each of the line items in Public Law No. 16-18.

Third, the Presidential Communication No. 16-138 indicated that the Act contains many constitutional problems declared in Udot Municipality v. FSM, especially when the President finds that Congress, not the executive, is executing and implementing projects. Your Committee on Ways and Means disagrees with this allegation.

Your Committee on Ways and Means is in accord with the intent and purpose of C.B. No. 16-72 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. 16-72.

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

/s/ Fredrico O. Primo
Fredrico O. Primo, member

Peter Sitan, member

Joseph J. Urusemal, member