

STANDING COMMITTEE REPORT NO. 16-79

RE: C.B. NO. 16-117

SUBJECT: SUPPLEMENTAL REQUEST FY10/T&C

MAY 27, 2010

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

Dear Mr. Speaker:

Your Committee on Transportation and Communication, to which was jointly referred C.B. No. 16-117, entitled:

"A BILL FOR AN ACT TO APPROPRIATE FROM THE GENERAL FUND OF THE FEDERATED STATES OF MICRONESIA A SUPPLEMENTAL FUNDING IN THE TOTAL AMOUNT OF \$907,577 FOR FISCAL YEAR ENDING SEPTEMBER 30, 2010, BY AMENDING SECTIONS 1, 2, 8, AND 9 OF PUBLIC LAW NO. 16-7, AS AMENDED BY PUBLIC LAW NOS. 16-20 AND 16-25, AND FOR OTHER PURPOSES."

begs leave to report as follows:

The bill transmits supplemental budget requests of the National Government departments, offices, and agencies. Pursuant to rule 7, section 6(b), of the Official Rules of Procedure of the Sixteenth Congress of the Federated States of Micronesia, your Committee has limited its review to the portion of this FY 2010 supplemental budget request relating to matters under its jurisdiction, which is a request by the Department of Transportation, Communication and Infrastructure for \$36,518 to fund the National Government's share of the Infrastructure Maintenance Fund local matching obligations.

Discussion of Supplemental Budget Request

Your Committee on Transportation and Communication held a public hearing on Tuesday, May 18, 2010 to discuss the supplemental budget request. Chairman Dion G. Neth presided over the hearing. Other members present at the hearing were Senator Peter M. Christian, Senator Claude H. Phillip, Senator Joe N. Suka, and Senator Joseph J. Urusemal. Witnesses from the Department of Transportation, Communication and Infrastructure included Secretary Francis Itimai and Assistant Secretaries Master Halbert, Jolden Jonnyboy, and Phillip Joseph. Other witnesses included Assistant to the President for Legislative Affairs Pelsesar Petrus, representatives from SBOC, and representatives from PMU.

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Discussion of the supplemental budget request began with Chairman Neth seeking clarification as to the timetable of the current request and the IMF matching obligation. Representatives from S.B.O.C. replied that this request was to fulfill a current obligation to the IMF under the FY 2010 infrastructure sector grant.

Members then raised a concern over the accuracy of the amount of the supplemental request. Members questioned SBOC and PMU representatives regarding the actual amount of the FY 2010 infrastructure grant. The SBOC representatives responded that there had been no FY 2010 infrastructure grant awarded. The PMU representative then stated that the total infrastructure sector grant for FY 2010 was \$24 million, that PMU had done preliminary design work, would render cost estimates, and then the money for construction projects would come from OIA. Thus the PMU representative implied the grant warranting the proposed matching contribution was coming.

Conclusion

Your Committee on Transportation and Communication recommends appropriating the \$36,518 to fund the National Government's share of the Infrastructure Maintenance Fund local matching obligations requested by the Department of Transportation, Communication and Infrastructure in C.B. No. 16-117, subject to the availability of funds as determined by your Committee on Ways and Means.

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Respectfully submitted,

/s/ Dion G. Neth
Dion G. Neth, chairman

/s/ Tony H. Otto
Tony H. Otto, vice chairman

/s/ Tiwiter Aritos
Tiwiter Aritos, member

/s/ Peter M. Christian
Peter M. Christian, member

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

/s/ Joe N. Suka
Joe N. Suka, member

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