

STANDING COMMITTEE REPORT NO. 16-105

RE: P.C. NO. 16-188/W&M

SUBJECT: FY 2011 BUDGET

SEPTEMBER 27, 2010

The Honorable Isaac Figir
Speaker, Sixteenth Congress
Federated States of Micronesia
Fifth Regular Session, 2010

Dear Mr. Speaker:

Your Committee on Ways and Means, to which was jointly referred Presidential Communication No. 16-188 transmitting the National Government's proposed FY 2011 budget, begs leave to report as follows:

Presidential Communication No. 16-188 concerns the National Government's proposed budget for fiscal year 2011 as set forth in a publication entitled National Government FY2011 Recommended Budget ("Budget Book"). Pursuant to rule 7, section 1(b), of the Official Rules of Procedure of the Sixteenth Congress of the Federated States of Micronesia, your Committee has limited its review to those portions of the budget relating to matters under its jurisdiction. These are:

Operations Budget

- (a) Office of the President
- (b) Department of Finance
- (c) Office of SBOC
- (d) Congress
- (e) Office of Public Auditor

Grants, Subsidies and Contributions

Office of the President

- (f) Asia Pacific Broadcasting Development (AIBD)
- (g) Asia Pacific Broadcasting Union
- (h) Pacific Island News Association

Department of Finance

- (i) OCO Membership
- (j) Financial Management System - Maintenance fee
- (k) FSM Group Life Insurance
- (l) Personnel Manual Development

Office of SBOC

- (m) Asia Pacific Investment
- (n) Technical Assistance

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Resources: Other Grants, Subsidies and Contributions

- (o) MLFC Loan Payment
- (p) FY09 Single Audit Fee
- (q) Compact Review Committee
- (r) Legislative and Executive Discretionary Funds
- (s) Staff Housing
- (t) Recruitment and Repatriation

Investment: Capital and Human Resource Development

Department of Finance

- (u) National Staff Upgrading
- (v) Tax Reform
- (w) Staff Housing
- (x) Capacity Building Road/Staff Upgrade
- (y) Finance Advisor

President's Office

- (z) FSM Trust Fund
- (aa) Public Education-Constitutional Amendment

Office of SBOC

- (bb) Economic Symposium
- (cc) FSM 2011 Household Income and Expense Survey
- (dd) Capital Integrated Information System

This report, and all previous and subsequent reports by this Committee, should be treated as policy for this Nation, as defined by the Congress. It is your Committee's intent that any commentary found in this report should be treated as policy for the guidance of the relevant departments, agencies and offices.

During May and September 2010, your Committee conducted public hearings with representatives of the relevant departments, agencies and offices and, in some instances, followed up with additional communications. This Standing Committee Report reflects the recommendations of your Committee on Ways and Means regarding the proposed FY 2011 budget based on the consultations outlined above. Your Committee's findings and recommendations follow.

Comments Regarding This Years' Budget

Your Committee is mindful that the FY2011 Budget recommended to Congress far exceeds the revenue projections; as such, your Committee worked diligently to keep the budget in line with FY2010

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appropriations when possible. Your Committee also denied any salary increases for reclassification of current employees.

OPERATIONS BUDGET

(a) Office of the President

The following is an overview of recommended funding for the total operations of the Office of the President in FY 2011. The funding source for all recommended amounts under the Office is domestic revenues.

Overview - Total Operations

	FY10 Appropriated	FY11 President Recommend	Committee Recommend
Personnel	264,612	292,952	258,025
Travel	118,176	141,642	124,239
Contract services	151,000	146,000	146,000
OCE	100,100	62,100	102,100
Fixed assets	5,000	21,000	21,000
Total	638,888	663,694	651,364
Employees	14	14	13

A detailed discussion of each of the divisions of the Office of the President follows.

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Office of the President - President's Office

	FY10 Appropriated	FY11 President Recommend	Committee Recommend
Personnel	201,687	230,027	201,687
Travel	90,354	107,757	90,354
Contract services	149,000	144,000	144,000
OCE	79,500	39,500	79,500
Fixed assets	1,000	1,000	1,000
Total	521,541	522,284	516,541
Employees	9	9	9

Testimony at that Personnel should stay at 201,687, the request of 230,027 was in case one current position was reclassified as a Staff Attorney position, but the Office no longer sees a need for that request. OCE has been increased to reflect fuel needs for one outer island trip in Yap and one outer island trip in Pohnpei.

Office of the President - Public Information Office

	FY10 Appropriated	FY11 President Recommend	Committee Recommend
Personnel	62,925	62,925	56,338
Travel	27,822	33,885	33,885
Contract services	2,000	2,000	2,000
OCE	20,600	22,600	22,600
Fixed assets	4,000	20,000	20,000
Total	117,347	141,410	134,823
Employees	5	5	4

Testimony was that the position of Information Specialist could be deleted, and total personnel reduced to four. The current SAP/Information Specialist (exempt position) was hired at an increased salary due to enhanced job skills and responsibilities. Your Committee also recommends the increase in fixed assets due to the need of the office to purchase a photocopier. Travel needs increased a small amount to reflect one extra trip that is necessary for the office to perform job duties.

(b) Department of Finance and Administration

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An overview of proposed funding for the Department of Finance and Administration follows. The funding source for all amounts recommended under the Department is domestic revenues.

Overview - Total Operations

	FY10 Appropriated	FY11 President Recommend	Committee Recommend
Personnel	1,243,385	1,274,746	1,223,385
Travel	141,914	171,003	171,003
Contract services	194,756	163,856	160,456
OCE	212,073	197,579	210,182
Fixed assets	22,500	23,000	34,500
Total	1,814,628	1,830,184	1,799,526
Employees	87	87	87

A detailed discussion of each of the divisions of the Department of Finance and Administration follows.

Department of Finance - Office of the Secretary

	FY10 Appropriated	FY11 President Recommend	Committee Recommend
Personnel	58,984	60,594	58,984
Travel	42,073	52,907	52,907
Contract services	1,500	19,500	19,500
OCE	44,000	29,500	29,500
Fixed assets	2,000	0	0
Total	148,557	162,501	160,891
Employees	3	3	3

As mentioned above, your Committee denied all reclassifications; as such, the personnel level remains the same as FY10. Your Committee approves the increase in travel, as it was explained by the Department that the same five trips will be taken as in FY2010, but the costs have increased; your Committee notes that all trips should focus on the work of the National Government. Contract services increased by \$18,000 to reflect the \$18,000 for Grants Services - Bank of Tokyo that used to be under OCE; OCE decreased as a result.

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Department of Finance - Treasury (National plus State Offices)

	FY10 Appropriated	FY11 President Recommend	Committee Recommend
Personnel	409,597	424,348	409,597
Travel	15,293	16,834	16,834
Contract services	108,300	59,400	56,000
OCE	72,000	72,000	72,000
Fixed assets	8,000	20,000	20,000
Total	613,190	592,582	574,431
Employees	28	28	28

Your Committee again denied all employee reclassifications and retains the FY10 personnel level. Your Committee approves a slight increase in travel to reflect actual costs for the same number of trips taken in FY10. Contract services is an overall decrease: \$81,500 funded by Capacity Sector Grant for financial advisors was moved out of the Department budget to Grants and Subsidies; however, the lease amount for office in Chuuk and warehouse on Teketik increased. The breakdown for contract is as follows: \$3000 bank charges; \$30,000 Chuuk office lease; \$20,000 Teketik lease; and \$3000 warehouse maintenance. Fixed assets increased to allow the purchase of a copier, which the Division has shown a need for.

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Department of Finance - Customs and Tax Administration (National plus State Offices)

	FY10 Appropriated	FY11 President Recommend	Committee Recommend
Personnel	599,692	614,692	579,692
Travel	51,571	54,150	54,150
Contract services	82,956	82,956	82,956
OCE	67,391	67,397	80,000
Fixed assets	11,500	0	11,500
Total	813,110	819,195	808,298
Employees	45	45	45

An increase of \$15,000 in personnel was recommended to bring total overtime for the Division from \$55,000 to \$70,000 in FY11 (\$143,415 in overtime was the original Division request before the EBRC cut). The testimony was that \$143,415 was what was actually paid in overtime by the Division in FY10; there were enough vacant positions that the Division was able to pay that overtime in FY10 without supplemental funding. The Committee recommends funding \$35,000 in overtime, resulting in an overall decrease in personnel from FY10. The Committee understand that the Committee on Judiciary and Governmental Operations will be working on proposed legislation that will correlate paying overtime with actual collections made as a reimbursable expense. The Committee recommends a slight increase in travel to reflect actual cost increases. Your Committee recommends and increase in OCE specifically for supplies, as the EBRC cut the supplies budget from \$26,5000 to \$3500. Testimony indicated that most field offices have little or no supplies left; the Committee intent is that this increase be targeted to buy supplies primarily for the field offices. Your Committee recommends \$11,500 in fixed assets for a needed used vehicle and computers.

Department of Finance - Personnel

	FY10 Appropriated	FY11 President Recommend	Committee Recommend
Personnel	79,466	79,466	79,466
Travel	13,338	13,338	13,338
Contract services	0	0	0

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OCE	15,284	15,284	15,284
Fixed assets	0	0	0
Total	108,088	108,088	108,088
Employees	5	5	5

Your Committee recommends funding the Division of Personnel at the FY10 level, as recommended and proposed by the Division.

Department of Finance - Investment and International Finance

	FY10 Appropriated	FY11 President Recommend	Committee Recommend
Personnel	95,646	95,646	95,646
Travel	19,639	33,774	33,774
Contract services	2,000	2,000	2,000
OCE	13,398	13,398	13,398
Fixed assets	1,000	3,000	3,000
Total	131,683	147,818	147,818
Employees	6	6	6

Your Committee recommends an increase in travel to reflect actual costs of trips taken in FY10 and to add one new trip to attend the annual JEMCO meeting. The Committee notes that the World Bank Mission trip is a reimbursable trip and the funds return to the general fund upon reimbursement. Your Committee notes that, based upon testimony at the hearing, the Division is in need of a vehicle. Your Committee does not recommend the funding in FY11, as the Committee is mindful of the low revenue projections for the year; however, your Committee urges the Division to insert the request again in FY12 for reconsideration.

**(c) Office of Statistics, Budget and Economic Management,
Overseas Development Assistance and Compact Management (SBOC)**

An overview of proposed funding for SBOC follows. The funding source for all amounts recommended under SBOC is domestic revenues.

Overview - Total Operations SBOC

	FY10 Appropriated	FY11 President Recommend	Committee Recommend

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Personnel	606,345	628,113	616,316
Travel	94,733	156,895	112,030
Contract services	202,000	245,000	215,000
OCE	99,340	95,340	93,340
Fixed assets	7,500	0	0
Total	1,009,918	1,125,348	1,038,686
Employees	37	37	37

A detailed discussion of each of the Divisions of SBOC follows.

Office of SBOC - Office of the Director (Administration)

	FY10 Appropriated	FY11 President Recommend	Committee Recommend
Personnel	0	52,611	51,181
Travel	0	4,270	4,270
Contract services	0	0	0
OCE	0	0	0
Fixed assets	0	0	0
Total	0	56,881	55,451
Employees	0	3	3

Your Committee recommends creating the Office of the Director, and moving three current employees from other Divisions at SBOC into the Office; your Committee decreases the personnel from the requested amount to reflect the Committee policy in FY11 of no employee reclassifications. Your Committee moves a small amount of travel into this Office to match the requested amount for one trip. Your Committee notes that the creation of this Office may prompt a need for a new Executive organizational chart.

Division of Statistics

	FY10 Appropriated	FY11 President Recommend	Committee Recommend
Personnel	258,143	255,144	250,533
Travel	6,917	6,917	6,917
Contract services	0	0	0
OCE	61,000	61,000	61,000
Fixed assets	0	0	0
Total	326,060	323,061	318,450
Employees	20	19	19

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Your Committee reduces personnel to reflect the transfer of one position to the new Office of the Director, and again to reflect that there should be no employee reclassifications in FY11.

Division of Budget and Economic Management

	FY10 Appropriated	FY11 President Recommend	Committee Recommend
Personnel	213,648	214,004	213,648
Travel	12,394	12,394	12,394
Contract services	7,000	0	0
OCE	15,340	13,340	13,340
Fixed assets	7,500	0	0
Total	255,882	239,738	239,382
Employees	10	10	10

Your Committee recommends approving the budget for this Division as recommended by the President, except for the personnel level, which shall remain the same as FY10.

Division of Overseas Development Assistance

	FY10 Appropriated	FY11 President Recommend	Committee Recommend
Personnel	34,989	40,391	34,989
Travel	2,973	21,000	16,000
Contract services	0	50,000	20,000
OCE	0	0	0
Fixed assets	0	0	0
Total	37,962	111,391	70,989
Employees	2	2	2

Your Committee notes there was a substantial increase in this Division in FY11 and such an increase could not be accommodated in light of the current economic climate. The recommended budget included \$50,000 under contract to hire an expatriate grant-writer who would also be tasked with teaching grant writing skills to a local employee under personnel. Your Committee recommends that the Division seek volunteer assistance under the Australian professional retirement program by contacting the Australian Embassy. If a volunteer could be found, the Committee does recommend \$20,000 under contract to pay for housing and repatriation of the volunteer. Under personnel, your Committee does

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not recommend reclassification of the vacant position to include additional duties of grant-writing until such time as a volunteer is first in place who will assist in teaching grant-writing skills to the employee. Your Committee notes the increase in travel is due to a European trip that would be particularly helpful for this Division; your Committee agrees with the usefulness of the trip, but decreases the overall requested amount to reflect the more accurate cost of an efficient trip.

Division of Compact Management

	FY10 Appropriated	FY11 President Recommend	Committee Recommend
Personnel	99,565	65,965	65,965
Travel	72,449	112,314	72,449
Contract services	195,000	195,000	195,000
OCE	23,000	21,000	21,000
Fixed assets	0	0	0
Total	390,014	394,277	354,414
Employees	5	3	3

Your Committee agrees with the reduced recommended amount under personnel to reflect the transfer of two positions to the new Office of the Director. Your Committee recommends the same level of funding for travel as in FY10, but notes that this reflects a slight increase overall for the Division, since the position of Director of SBOC transferred out of this Division and was given its own travel budget.

(d) Legislative Branch

An overview of proposed funding for the Legislative Branch follows. The funding source for all amounts recommended under the branch is domestic revenues.

Overview - Total Operations

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	FY10 Appropriated	FY11 President Recommend	Committee Recommend
Personnel	1,233,094	1,228,173	1,249,480
Travel	818,133	618,133	668,133
Contract services	1,246,600	631,100	1,011,100
OCE	227,000	617,000	207,000
Fixed assets	60,000	30,000	60,000
Total	3,584,827	3,124,406	3,195,713
Employees	59	59	59

A detailed discussion of each of the Offices of the Legislative Branch follows.

Congress - Speaker and Members

	FY10 Appropriated	FY11 President Recommend	Committee Recommend
Personnel	423,290	415,771	423,290
Travel	614,881	489,881	489,881
Contract services	655,600	507,600	507,600
OCE	0	0	0
Fixed assets	0	0	0
Total	1,693,771	1,412,771	1,420,771
Employees	14	14	14

Your Committee recommends the same level of funding as appropriated in FY10, which included a supplemental of \$8,000. The extra amount reflects the actual salary costs with benefits, and should have been corrected prior to submission for the Budget Book. The Committee recommends the same level of travel and contract as originally appropriated in FY10, absent any supplemental appropriations.

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Congress - Staff Offices

	FY10 Appropriated	FY11 President Recommend	Committee Recommend
Personnel	809,804	812,883	826,190
Travel	168,252	128,252	128,252
Contract services	185,000	123,500	163,500
OCE	147,000	127,000	127,000
Fixed assets	27,000	27,000	40,000
Total	1,337,056	1,221,635	1,284,942
Employees	45	45	45

Your Committee notes a slight increase in personnel to reflect the following: an additional \$3750 for Congressional pages during session to reflect the accurate need of the Office of Chief Clerk; the reinserted position of Executive Secretary in the Kosrae Delegation Office; and a webmaster in the Information Office which was hired at a higher level than original appropriated for in FY10. Your Committee does not recommend the two requested reclassifications, and also adjusted two salary levels that were reflected higher than actual in the Budget Book. Your Committee increase contract services by \$40,000 to reflect the cost associated with hosting the APPU in FY11. Your Committee recommends \$40,000 in fixed assets for two vehicles and an air conditioner if funds remain; one vehicle to replace an older unreliable truck, and one vehicle for the Office of the Legislative Counsel

Congress - Delegation Offices

Your Committee notes that the Contract services line item for each Delegation Office includes amounts for Member Representation, up to a maximum of \$25,000 per member, at the Delegation Offices' discretion. This restriction on the maximum amount permitted will be included in the budget law.

Your Committee confirms and reminds the Delegation Offices that this Member Representation is not to be advanced, and that any representation required by the Delegation Office as a whole should be funded by each of the Members taking equal shares from their Member representation. No representation expenditure should be made by the Delegation Office beyond the maximum provided for each Member. A Delegation Office may determine among its Members that a lesser amount

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is required for Member Representation than the \$25,000 per Member. In that event, the remaining amount in Contract services shall be available for operational expenses of the office, such as POL, utilities and so forth.

The President's recommended budget placed all Delegation Office budgets under OCE; your Committee made appropriate adjustments to reflect the actual need of each Office per their request, but the funding level remains at the original FY10 appropriated amounts, not included any supplemental funding.

Your Committee also notes that an occasion may arise where a training opportunity for Delegation staff is coordinated in Palikir, and urges your Delegation Offices to keep that in mind when planning use of their travel budget.

KOSRAE DELEGATION	FY10 Appropriated	FY11 President Recommend	Committee Recommend
Personnel	0	0	0
Travel	0	0	0
Contract services	58,000	0	50,000
OCE	20,000	70,000	20,000
Fixed assets	0	0	0
Total	78,000	70,000	70,000

POHNPEI DELEGATION	FY10 Appropriated	FY11 President Recommend	Committee Recommend
Personnel	0	0	0
Travel	10,000	0	10,000
Contract services	126,000	0	110,000
OCE	10,000	140,000	10,000
Fixed assets	18,000	0	10,000
Total	164,000	140,000	140,000

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CHUUK DELEGATION	FY10 Appropriated	FY11 President Recommend	Committee Recommend
Personnel	0	0	0
Travel	15,000	0	30,000
Contract services	174,000	0	150,000
OCE	30,000	210,000	30,000
Fixed assets	15,000	0	0
Total	234,000	210,000	210,000

YAP DELEGATION	FY10 Appropriated	FY11 President Recommend	Committee Recommend
Personnel	0	0	0
Travel	10,000	0	10,000
Contract services	48,000	0	30,000
OCE	20,000	70,000	20,000
Fixed assets	0	0	10,000
Total	78,000	70,000	70,000

Your Committee notes that \$10,000 is needed in fixed assets in the Yap Delegation Office to reflect the need for a new photocopier.

(e) Office of Public Auditor

An overview of proposed funding for the Office of Public Auditor follows. The funding source for the National Public Auditor Office is domestic revenue (\$792,209); the funding source for the Chuuk Public Auditor Office is Capacity Building Sector Grant (\$173,405).

Overview - Total Operations

	FY10 Appropriated	FY11 President Recommend	Committee Recommend
Personnel	569,969	559,494	559,494
Travel	178,598	178,598	178,598
Contract services	145,320	145,320	145,320
OCE	74,700	74,700	74,700
Fixed assets	7,500	7,500	7,500
Total	967,087	965,612	965,612
Employees	25	25	25

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Public Auditor - National Office

	FY10 Appropriated	FY11 President Recommend	Committee Recommend
Personnel	460,673	451,152	451,152
Travel	150,557	150,557	150,557
Contract services	130,500	130,500	130,500
OCE	52,500	52,500	52,500
Fixed assets	7,500	7,500	7,500
Total	801,730	792,209	792,209
Employees	20	20	20

Your Committee notes that the decrease in personnel as requested reflects the departure of some experienced staff at the National Office and replacements hired at a lower grade level.

Public Auditor - Chuuk Office

	FY10 Appropriated	FY11 President Recommend	Committee Recommend
Personnel	109,296	108,344	108,344
Travel	28,041	28,041	28,041
Contract services	14,820	14,820	14,820
OCE	22,200	22,200	22,200
Fixed assets	0	0	0
Total	174,357	173,405	173,405
Employees	5	5	5

(f) - (t) GRANTS SUBSIDIES AND CONTRIBUTIONS

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The funding source for all amounts recommended by the Committee under this section is domestic revenues.

	FY10 Appropriated	FY11 President Recommend	Committee Recommend
Office of the President			
Asia Pacific Inst. Broadcasting Development (AIBD)	4,500	4,500	4,5000
Asia Pacific Broadcasting Union	800	800	800
Pacific Island News Association	350	350	350
Department Of Finance			
OCO Membership	4,000	4,000	4,000
Financial Management System - Maintenance fee	30,000	30,000	30,000
FSM Group Life Insurance	43,000	43,000	43,000
Personnel Manual Development	0	38,470	38,470
SBOC			
Asia Pacific Investment	150	150	150
Technical Assistance	0	41,197	0
RESOURCES: Other Grants			
MLFC Loan Payment	100,000	200,000	200,000
FY09 Single Audit Fee	329,250	329,250	329,250
Compact Review Committee	153,689	100,000	50,000
Former President' Allowance	50,000	0	50,000
Legislative/Executive Discretionary Funds	0	1,600,000	0
Staff Housing	585,000	585,000	585,000
Recruitment and Repatriation	176,411	150,000	180,000
Total	1,477,150	3,126,717	1,556,020

Your Committee recommends funding of the Personnel Manual Development, but requests a breakdown of the proposed used of funds. Your Committee reduced the requested amount for the Compact Review Committee, as the project should be near completed at the stage. Your Committee reinstates the Former Presidents' Allowance. Your Committee increased the recommended amount for Recruitment and Repatriation to reflect more accurately what will be needed in FY11.

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(u) - (dd) Investment

The funding source for all amounts recommended by the Committee under this section is domestic revenues, unless specified in the narrative below.

INVESTMENT: Capital and Human Resources Development	FY10 Appropriated	FY11 President Recommend	Committee Recommend
Department of Finance			
National staff upgrading	50,000	75,000	50,000
Tax Reform	128,000	161,216	117,000
Capacity Bldg Road Map/Staff Upgrading	0	215,500	115,000
Financial Advisors	0*	81,500	81,500
President's Office			
Trust Fund	1,500,000	1,500,000	1,000,000
Public Education/ Constitutional Amendment	150,000	200,000	100,000
Office OF SBOC			
Economic Symposium	0	200,000	150,000
FSM 2011 Household Income and Expense Survey	0	165,345	165,345
Overtime for Survey	0	50,000	0
Capital Integr. Info System	0	300,000	0
Total	1,828,000	2,948,561	1,778,845

*used to be in the operations budget of the Department

Your Committee recommends \$50,000 for National Staff Upgrading and requests a breakdown of how the \$50,000 was used in FY10 plus a description of the selection process. The Committee recommends funding \$117,000 for the Tax Reform out of domestic revenue, as the JEMCO approved amount of \$116,867 will apparently not be available absent enacting legislation and the Committee does not appreciate that approach by JEMCO of forcing the will of Congress. Your Committee notes that the \$81,500 for Financial Advisors is funded from Capacity Building Sector Grant. Your Committee reduces the Trust Fund requested amount to reflect the decreased revenue projections and overall need to cut funding where possible. Your Committee reduced the requested Public Education/ Constitutional Amendment to reflect what should be necessary to finish the campaign in light of the \$150,000 already appropriated in FY10; your Committee intends that all

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international trips be cut from the budget except to Guam and Honolulu. Your Committee recommends funding \$150,000 for a National Economic Symposium, and \$165,345 for SBOC to conduct a Household Income and Expense Survey.

CONCLUSION

Your Committee on Ways and Means has reviewed the proposed FY 2011 budget and carefully scrutinized all the information provided by the Office of the President, the Department of Finance and Administration, the Office of SBOC, the Legislative Branch and the Office of the National Public Auditor, including information relating to grants, subsidies and contributions and capital and human resource development which are in your Committee's jurisdiction. Based upon the information provided and its deliberations, your Committee recommends appropriation of each of the sums set forth above in the column entitled "Committee Recommend", subject to the availability of funds as determined by your Committee upon consolidation of all Committee recommendations.

STANDING COMMITTEE REPORT NO. 16-105

RE: P.C. NO. 16-188/W&M

SUBJECT: FY 2011 BUDGET

SEPTEMBER 27, 2010

Respectfully submitted,

/s/ Dohsis Halbert
Dohsis Halbert, chairman

/s/ Claude H. Phillip
Claude H. Phillip, vice- chairman

/s/ Setiro Paul
Setiro Paul, member

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

/s/ Dion G. Neth
Dion G. Neth, member

/s/ Peter Sitan
Peter Sitan, member

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