

STANDING COMMITTEE REPORT NO. 17-171

RE: C.B. NO. 17-204/J&GO

SUBJECT: MARITIME SURVEILLANCE REVOLVING FUND

JANUARY 17, 2013

The Honorable Isaac V. Figir
Speaker, Seventeenth Congress
Federated States of Micronesia
Sixth Regular Session, 2013

Dear Mr. Speaker:

Your Committee on Judiciary and Governmental Operations, to which was jointly referred C.B. No. 17-204, entitled:

"A BILL FOR AN ACT TO FURTHER AMEND SECTION 672 OF TITLE 55 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA, AS AMENDED BY PUBLIC LAW NO. 16-66, IN ORDER TO ALLOW EXPENDITURES FOR THE PROVISIONS AND SPARE PARTS OF FSM PATROL AND SURVEILLANCE BOATS TO BE CHARGED AGAINST THE MARITIME SURVEILLANCE REVOLVING FUND, AND FOR OTHER PURPOSES."

begs leave to report as follows:

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

A public hearing was held by this Committee on the bill in Palikir on January 15, 2012, and was attended by the Chief and the Head of the Maritime Wing of the FSM National Police, and representatives of the Department of Justice and the Office of the President.

The witnesses explained that the proposed expansion of the purposes for which the Maritime Surveillance Revolving Fund could be used would enable the Maritime Wing of the FSM National Police to increase the number of days it spends out on patrol, which in turn would increase fines from fishing violations paid into the fund. They stated that ideally each of their three boats would be on patrol for 75 days each year, and that although their access to the Revolving Fund gave them

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access to sufficient fuel to meet this target, they were still constrained by the cost of the necessary oil and provisions and for the spare parts needed to remedy the additional wear and tear on the boats.

They noted that although funds were regularly appropriated for the life extension program and slipping for each of the boats, this constituted routine maintenance and did not cover spare parts needed to keep the boats in service.

Responding to questions from Members, they stated that they were not asking for more money in appropriations, merely to be able to use the Revolving Fund on the additional items necessary to extend the number of days the boats could be out on patrol. They noted that they had not yet been able to meet the target of 75 days per year per boat. They also noted that the Director General of Forum Fisheries had found that the FSM was doing exceptionally well with respect to collection of fines for fishing violations compared to other nations in the region.

In supplemental written testimony, the Department of Justice noted that \$1,421,428 had been collected from penalties and fines due to fishing violations in FY 2012, only \$214,993 of which had been spent on fuel.

Although the witnesses considered oil to be covered under spare parts, to avoid any ambiguity your Committee offers the following amendment to the bill:

1. Title, line 2, delete "the" and insert "oil," in lieu thereof.
2. Title, line 3, delete "of" and insert "for" in lieu thereof.
3. Page 1, line 6, after "fuel," insert "oil,".

Your Committee on Judiciary and Governmental Operations is in accord with the intent and purpose of C.B. No. 17-204, 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. 17-204, C.D.1.

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Respectfully Submitted,

/s/ David W. Panuelo
David W. Panuelo, Chairman

/s/ Bonsiano F. Nethon
Bonsiano F. Nethon,
Vice Chairman

/s/ Tiwiter Aritos
Tiwiter Aritos, Member

/s/ Isaac V. Figir
Isaac V. Figir, Member

Yosiwo P. George, Member

/s/ Dohsis Halbert
Dohsis Halbert, Member

/s/ Roger S. Mori
Roger S. Mori, Member