

STANDING COMMITTEE REPORT NO. 17-38

RE: C.R. NO. 17-48/W&M

SUBJECT: GOODS AND SERVICES AGREEMENT

SEPTEMBER 21, 2011

The Honorable Isaac V. Figir
Speaker
Seventeenth Congress
Federated States of Micronesia
Second Regular Session, 2011

Dear Mr. Speaker:

Your Committee on Ways and Means, to which was referred C.R. No. 17-48, entitled:

“A RESOLUTION APPROVING THE DISTRIBUTION OF GOODS AND SERVICES PURSUANT TO THE MEMORANDUM OF UNDERSTANDING ON GOODS AND SERVICES BETWEEN THE FEDERATED STATES OF MICRONESIA AND THE OVERSEAS FISHERY COOPERATION FOUNDATION OF JAPAN”.

begs leave to report as follows:

The intent and purpose of the Resolution is expressed in its title.

According to C.R. No. 17-48, section 114 title 24 of the FSM Code requires Congress approval for such funds. It is true that Congress approval is required, but the section reference should be section 115. Your Committee will correct this minor technical error with an amendment.

Your Committee finds approval of this Goods and Services Agreement to be in the best interests of the Federated States of Micronesia. The goods and services to be received under this Agreement total JPY25,230,000 (approximately \$300,000), and will be used for training, research, marketing, processing, and operations relating to fisheries activities.

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As other states have been primary beneficiaries of previous similar goods and services agreements your Committee recommends that Yap State be the primary beneficiary under this Agreement. Your Committee specifically recommends that at least half of the monies available under this Agreement be awarded for fisheries activities in Yap's outer islands. Examples of projects that Yap State intends to use these monies for in its outer islands include, but are not limited to: purchase and installation of channel markers; purchase and installation of beacon lights; and purchase and distribution of safety equipment for small boats.

Committee Discussion

Your Committee on Ways and Means agrees with the intent and purpose of C.R. No. 17-48, and recommends its approval with slight revisions to reflect that at least half of the monies received under the Goods and Services Agreement be used for activities in Yap State outer islands. Your Committee also recommends an amendment to reflect the correct section number of title 24 a technical amendment.

Your Committee offers the following amendments to C.R. No. 17-48:

1. Page 1, line 3, delete "114" and insert "115" in lieu thereof.
2. Page 1, between lines 15 and 16, insert the following:

"WHEREAS, it is desirable that 50 percent of this goods and services distribution should be used in Yap State outer islands to assist with fishing activities including, but not limited to, activities such as: the purchase and installation of channel markers; the purchase and installation of beacon lights; and the purchase and distribution of safety equipment for small boats; fish aggregating devises (FADS); and".

2. Page 2, between lines 5 and 6, insert the following:

"BE IT FURTHER RESOLVED that at least 50 percent of the benefits received under this goods and services distribution shall be used in Yap State outer islands to assist with fishing activities including, but not limited to, activities such as: the purchase and installation of channel markers; the purchase and installation of beacon lights; and the purchase and

