

STANDING COMMITTEE REPORT NO. 18-204

RE: C.B. No. 18-207/W&M

SUBJECT: ELIMINATE THE MARITIME SURVEILLANCE REVOLVING
FUND

SEPTEMBER 18, 2014

The Honorable Dohsis Halbert
Speaker, Eighteenth Congress
Federated States of Micronesia
Fifth Regular Session, 2014

Dear Speaker:

Your Committee on Ways & Means, to which was jointly referred Congressional Bill 18-207, regarding the elimination of the Maritime Surveillance Revolving Fund, entitled:

"A BILL FOR AN ACT TO FURTHER AMEND TITLE 55 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA, AS AMENDED, BY REPEALING SECTIONS 671 THROUGH 674 OF CHAPTER 6 IN THEIR ENTIRETY TO ELIMINATE THE MARITIME SURVEILLANCE REVOLVING FUND, AND FOR OTHER PURPOSES.",

begs leave to report as follows:

The intent and purpose of this act is expressed in its title.

Congress passed Public Law No. 16-66 and then Public Law No. 17-79 to allow for the Maritime Wing of the FSM National Police to access the Revolving Funds in order to extend the amount of days the three patrol boats could stay on patrol a year, with 75 days for each boat mentioned as a goal. The funds were initially limited in use to fuel but then extended under P.L. No. 17-79 to include oil, provisions, and spare parts.

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With the number of active patrol boats in commission in the Federated States of Micronesia now totaling one, the necessity of having a Revolving Fund for this patrol boat is superfluous. Your Committee on Ways and Means has reviewed C.B. 18-207 and concluded that the costs formerly covered under the Revolving Fund can be properly budgeted in advance and support the elimination of the Revolving Fund. Should the need arise in the future, Congress will revisit the matter and consider reinstating a similar fund.

Your Committee would also like to reiterate that Congress is concerned with losing oversight on the use of funds in revolving accounts. The allottees of these revolving accounts are required to submit quarterly reports to Congress to properly inform the legislature as to how the funds are being spent.

Your Committee notes that Congress routinely does not receive these reports. Therefore, by eliminating the Revolving Fund, the need to submit quarterly reports will be eliminated.

Your Committee would like to point out that Congress has three regular sessions and many special sessions throughout the year, which will give ample opportunity for departments to present their need for additional funds directly to Congress.

CONCLUSION

Your Committee has carefully reviewed Congressional Bill 18-207. Your Committee finds the necessity of having a Revolving Fund for the Maritime Surveillance has expired.

Your Committee on Ways and Means is in accord with the intent and purpose of C.B. No. 18-207 and concurs with your Committee on Judiciary and Governmental Operations, 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. 18-207.

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Respectfully submitted,

/s/ Isaac V. Figir
Isaac V. Figir, chairman

Peter M. Christian, member

/s/ Tony H. Otto
Tony H. Otto, member

/s/ Yosiwo P. George
Yosiwo P. George, member

Do Not Concur
/s/ David W. Panuelo
David W. Panuelo, member

Wesley W. Simina, member

Do Not Concur
/s/ Joseph J. Urusemal
Joseph J. Urusemal, member