

STANDING COMMITTEE REPORT NO. 18-280

RE: C.A. NO. 18-121 (P.C. NO. 18-461)/W&M

SUBJECT: VETO OF CONGRESSIONAL ACT NO. 18-121

APRIL 10, 2015

The Honorable Dohsis Halbert
Speaker, Eighteenth Congress
Federated States of Micronesia
Sixth Special Session, 2015

Dear Mr. Speaker:

Your Committee on Ways & Means, to which was referred Presidential Communication 18-461, regarding the veto of Congressional Act 18-121, entitled:

"AN ACT TO APPROPRIATE A SUPPLEMENTAL BUDGET OF \$5,562,111 FROM THE GENERAL FUND OF THE FEDERATED STATES OF MICRONESIA FOR FISCAL YEAR ENDING SEPTEMBER 30, 2015, BY AMENDING SECTIONS 1,2,3, AND 9, OF PUBLIC LAW NO. 18-89, AS AMENDED BY PUBLIC LAW NO. 18-102, TO CHANGE THE USE OF CERTAIN FUNDS, AND FOR OTHER PURPOSES",

begs leave to report as follows:

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

Congressional Act 18-121 was line item vetoed by the President becoming Public Law 18-110. The Congressional Act was then referred back to your Committee on Ways & Means. Your Committee notes that P.C. 18-461 does not cite a lack of funding, an issue with the drafting of the bill, nor does it raise an issue of legal or constitutional objections.

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APRIL 10, 2015

Your Committee on Ways and Means has reviewed P.C. 18-461 and concluded that the reasons for the line item veto are based on policy decisions. Your Committee has reviewed the items subjected to the line item vetos and found them to be consistent with sound public policy and therefore disagrees with the decision to veto.

Additionally, your Committee must recommend an override of this line item veto as the Secretary of Finance and Administration may have already deposited a portion of the previous appropriations in the FSM Trust Fund and to remove those funds as required by the President's action would be illegal.

The President in P.C. No. 18-461 first applauds Congress for placing additional funds in the FSM Trust Fund and then proceeds to deappropriate \$38,000,000 from the FSM Trust Fund with his line item veto. Your Committee, in keeping the best interest of the Nation in mind, recommends overriding the line item veto of the appropriation to the FSM Trust Fund.

However, your Committee agrees with the President's line item veto of the 2023 Investment Development Fund (IDF). Your Committee would like to note that C.A. 18-121 contained no appropriation for the 2023 IDF, yet the President issued a line item veto on the \$0 appropriation. Your Committee would like to point out that this was exactly Congress' intent. Your Committee defers to the President's wisdom to veto the 2023 IDF from C.A. 18-121.

CONCLUSION

Your Committee has reviewed the line-item veto in the legislation and veto message. Your Committee finds that the decision made by the Executive was made based on policy and not on a violation of the law. Your Committee disagrees with this policy decision and recommends

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overriding the line item veto of the FSM Trust Fund appropriations in Congressional Act No. 18-121.

Your Committee on Ways and Means is in accord with the intent and purpose of C.A. No. 18-121, and recommends it be placed on the calendar for veto override.

Respectfully submitted,

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

/s/ Peter M. Christian
Peter M. Christian

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

Yosiwo P. George, member

/s/ David W. Panuelo
David W. Panuelo, member

/s/ Wesley W. Simina
Wesley W. Simina, member

Joseph J. Urusemal, member