RE: C.R. NO. 18-183/H&SA

SUBJECT: APPROVING AND ACCEPTING A GRANT IN THE AMOUNT OF \$1,276,606 FROM THE U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES.

JULY 12, 2014

The Honorable Dohsis Halbert Speaker, Eighteenth Congress Federated States of Micronesia Fourth Special Session, 2014

Dear Mr. Speaker:

Your Committee on Health and Social Affairs, to which was jointly referred C.R. No. 18- 183 entitled:

"A RESOLUTION APPROVING AND ACCEPTING THE "STRATEGIC PREVENTION FRAMEWORK STATE INCENTIVE GRANT (SPF-SIG) MICRONESIA-NO COST EXTENSION" NOTICE OF AWARD IN THE AMOUNT OF \$1,276,606 FROM THE U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES, SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION, TO FUND THE FSM DEPARTMENT OF HEALTH AND SOCIAL AFFAIRS TO CONTINUE SPF-SIG MICRONESIA FUNDING EXTENDING THE (5) YEAR TERM PER C.R. 16-42 (2009 TO 2014) TO a (6) YEAR TERM (2009-2015).",

begs leave to report as follows:

The intent and purpose of this resolution are expressed in its title.

On July 10, 2014 your Committee held hearings regarding the above-captioned C.R. No. 18-183 jointly with the Committee on External Affairs. The Committee was advised that this grant would provide the majority of the funding for our National and State Health Departments' divisions of Mental Health and Substance Abuse. The important work and services that this grant supports is well known to the Committee and

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it believes it improves the overall health of our Nation's citizens. Additional financial support for this program is desirable.

First, the Committee questioned the Department of Justice and the Department of Health and Social Affairs regarding the title of the resolution as it makes reference to a "nocost extension" and a resolution from the 16th Congress. Both Departments confirmed that the resolution under discussion was for the coming year's grant award, not an application extension approval, and that the final, formal grant award document for the \$1,276,606 as transmitted from the donor was attached.

Both the Departments of Justice and Health and Social Affairs agreed to this change to avoid any confusion as to what was being acted upon by Congress.

Your Committee held an extensive hearing with the Department of Health and Social Affairs regarding the Nation's Substance Abuse and Mental Health Program earlier this year when it recommended submission of its most recent grant application. The Department at the hearing provided a detailed budget, program objectives and achievements. The Department confirmed that 85% of this funding goes to the States, and a further breakdown is attached with this report.

A long discussion regarding the checks done regarding the appropriateness of the community-based organizations that receive the funding was had during the hearing. The Department stated that there was a five-step process for selection of the recipients, and that both the State and National level did screening. While the recipients did not have to be chartered organizations they did have to be an established community based organization. Your Committee was satisfied with the responses from the Department.

The Department confirmed that the grant award is approximately \$80,000 less than requested in the grant application, which seemed to be related to the overall budget cuts within the U.S. federal government not to action

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or inaction on the part of the FSM program. Adjustments to the budget are included in an attached document. The Committee is impressed with the large portion of this grant that rests at the State level.

Your Committee would like to offer the following amendments to C.R. No. 18-183 as follows:

- Title, delete "the Strategic Prevention Framework State Incentive Grant (SPF-SIG) Micronesia no cost Extension" Notice of Award", and insert "a grant" in lieu thereof.
- 2. Title, delete "to continue SPF-SIG Micronesia Funding extending the five (5) year term per C.R. No. 16-42 (2009-2014) to a six (6) year term (2009-2015)", and insert "to support projects in the area of substance abuse and mental health services, including all the terms and conditions of the assistance" in lieu thereof.

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Overall your Committee on Health and Social Affairs is supportive of the program that this grant will support. Your Committee on Health and Social Affairs is in accord with the intent and purposes of C.R. No. 18-183, and recommends its adoption in the form attached hereto, as C.R. No. 18-183, C.D.1.

Respectfully submitted,

/s/ Tony H. Otto Tony H. Otto, chairman

/s/ Tiwiter Aritos Tiwiter Aritos, vice chairman

Peter M. Christian, member

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

/s/ Florencio S. Harper

Florencio S. Harper, member David W. Panuelo, member

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