RE: C.B. NO. 18-29/W&M

SUBJECT: AMENDMENTS TO PUBLIC LAW NO. 18-05

JULY 23, 2012

The Honorable Dohsis Halbert Speaker, Eighteenth Congress Federated States of Micronesia First Special Session, 2013

Dear Mr. Speaker:

Your Committee on Ways and Means, to which was referred C.B. No. 18-29, entitled:

"A BILL FOR AN ACT TO AMEND SECTIONS 2,3,4,5 AND 6 OF PUBLIC LAW NO. 18-05, FOR THE PURPOSE OF CHANGING THE USE AND ALLOTTEE OF CERTAIN FUNDS PREVIOUSLY APPROPRIATED THEREIN, AND FOR OTHER PURPOSES.",

begs leave to report as follows:

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

Public Law No. 18-05 is an appropriation act, which appropriated an amount of \$2,300,000 from the General Fund of the Federated States of Micronesia for the fiscal year 2013 for the purpose of funding public projects and social programs in each of the States. Congressional Bill No. 18-29 is intended to change the use and allottees of funds previously appropriated under Public Law No. 18-05.

In section 2 of the said bill, \$300,000 was previously appropriated to fund public projects and social programs in the State of Kosrae. The purpose of the proposed amendments to section 2 of the bill is to change to use of fund as follows:

1. The \$50,000 originally appropriated for "Kosrae High School lunch program" is decreased to \$20,000.

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- 2. The \$50,000 originally appropriated for "B.A. program" is decreased to \$10,000.
- 3. The \$50,000 originally appropriated for "We Care program" is decreased to \$20,000.
- 4. The following are the proposed new line items:
 - "a. Kosrae Port Authority subsidy \$20,000;
 - b. Walden University (students' outstanding balance) \$4,000;
 - c. Micronesian Shipping Commission \$10,000;
 - d. Xavier High School (tuition & fees for Kosraean Students);
 - e. Kosrae Medical Association \$10,000;
 - f. Kosrae State Government subsidy 20,000;
 - g. Malem Association of farmers \$6,000; and
 - h. Kosrae High School lunch area (renovation, maintenance and upgrade) \$10,000.

In section 4 of the bill, an amount of \$150,000 was apportioned for Election District No. 2, Pohnpei State, however, an amount of \$5,000 was inadvertently unaccounted for. One of the proposed amendments to the bill is to use the \$5,000 to fund a new line item entitled, "Kitti Judiciary branch fencing". The other amendments under Election District No. 2, Pohnpei State are merely technical.

In section 5 of the bill, the purpose of the proposed amendments is to shift funds, especially funds previously appropriated to fund public projects and social programs under Election Districts Nos. 2, 3 and 5, Chuuk State. In Election District No. 2, Chuuk State, the modifications are as follow:

- The \$10,000 for Sewing Project is deleted, and a new line item is proposed entitled "Feasibility study (Aquaculture and Farming projects \$12,500";
- The "Fishing project" amount is decreased to 7,500"; and
- 3. The "Students transportation needs" is amended to read as "Land transportation needs".

In Election District No. 3, Chuuk State, the modifications are as follow:

- The \$30,000 appropriated for "Community housing/facilities rehabilitation" is increased to \$40,000;
- The \$15,000 appropriated for "Solar system project subsidy" is decreased to \$10,000;

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- 3. The \$15,000 appropriated for "Sport facilities" improvement and sport equipment purchase" is decreased to \$10,000;
- 4. An amount of \$10,000 is proposed to fund a new line item entitled, "Student and leaders travel/medical referral"; and
- 5. The \$15,000 appropriated for "Southern Namoneas" Development Authority office rental" is decreased to \$5,000.

In Election District No. 5, Chuuk State, the modifications are as follow:

- 1. The \$115,000 appropriated for "Purchase of a passenger boat and related cost" is decreased to \$102,500; and
- 2. An amount of \$12,500 is proposed to fund a new line item entitled, "Feasibility study (Aquaculture and Farming projects).

In section 6 of the bill, the purpose of the proposed amendments is to designate the correct allottees of funds previously appropriated in Public Law No. 18-05 as follows:

- 1. The allottee of funds appropriated in section 2 (Kosrae State) of the act shall be the President or his designee.
- 2. The allottee of funds appropriated in section 3 (Yap State) of the act shall be the Governor of Yap State.
- 3. The allottee of funds appropriated in subsection 5(4) (ED#3, Chuuk State) of the act shall be the Southern Namoneas Development Authority; and
- 4. The allottee of funds appropriated in subsection 5(5) (ED#4) of the act shall be the Faichuk Development Authority.

Your Committee wishes to offer certain amendments to the bill as follow:

- 1. Page 1, line 14, delete "Purchase", and insert "Maintenance" in lieu thereof.
- 2. Page 1, line 15, delete "15,000", and insert
- "5,000" in lieu thereof.
 3. Page 1, line 17, delete "15,000", and insert "10,000" in lieu thereof.
- 4. Page 2, between lines 12 and 13, insert the

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following new line items: "(p) Hemodialyses treatment fee \$10,000; "(q) Transportation needs to Regional Tennis Center in Lautoka, Fiji \$5,000". 5. Page 2, lines 17 and 18, delete them in their entirety, and insert the following new line items: "(a) Yap Catholic High school construction supplement grant \$150,000; (b) Outer Island FADs deployment supplemental \$2,257; (c) Woleai atoll fishing nets \$15,000; (d) Island Mortuary Services debt payment \$20,000; (e) Council of Tamol office (equipment, supplies and air conditions) \$5,000; (f) Outer Islands' women organizations: (i) Precinct fifteenth \$5,000 (ii) Precinct fourteenth \$5,000 (iii) Precinct thirteenth \$5,000 (iv) Precinct twelve \$5,000 (q) Piiq Elementary school fund raising \$1,000 (h) Falalap, Woelai Elementary school \$1,743 (i) Lamotrek Dispensary construction \$40,000 (j) Yap Congressional Delegation citizen outreach program \$145,000". 6. Page 3, between lines 1 and 2, insert the following: "(c) Pohnpei Sports (equipment, supplies, umpire fees \$25,000 (d) Pohnpei Transportation Authority (purchase of parts) \$25,000 (e) FSM Constituency visit by Pohnpei Delegation

- (e) FSM Constituency visit by Pohnpei Delegation \$15,000
- (g) Consumers Association \$10,000"

<u>Conclusion</u>

With these amendments, your Committee on Ways and Means is in accord with the intent and purpose of C.B. 18-29 and recommends its passage on First reading and that it be placed on the

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Calendar for Second and Final reading in the form attached hereto C.B. 18-29, C.D.1.

Respectfully submitted,

/s/ Isaac V. Figir Isaac V. Figir, chairman /s/ Peter M. Christian Peter M. Christian, member

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

Tony H. Otto, member

David W. Panuelo, member

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

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