

STANDING COMMITTEE REPORT NO. 20-77

RE: C.A. NO. 20-101 (P.C. NO. 20-302)/W&M

SUBJECT: VETO OVERRIDE

SEPTEMBER 20, 2018

The Honorable Wesley W. Simina
Speaker, Twentieth Congress
Federated States of Micronesia
Fifth Regular Session, 2018

Dear Mr. Speaker:

Your Committee on Ways and Means to which was referred
Presidential Communication No. 20-302, regarding the veto of
Congressional Act No. 20-101, entitled:

"AN ACT TO FURTHER AMEND TITLE 55 OF THE CODE OF THE
FEDERATED STATES OF MICRONESIA (ANNOTATED), AS AMENDED, BY
ADDING A NEW SECTION 1222 FOR THE PURPOSE OF REQUIRING
TWENTY PERCENT (20%) OF ALL NATIONAL GOVERNMENT FISHING
FEES COLLECTED IN A FISCAL YEAR TO BE DEPOSITED INTO THE
FSM TRUST FUND, AND TO ADD A NEW SECTION 324 OF TITLE 54 OF
THE CODE OF THE FEDERATED STATES OF MICRONESIA (
ANNOTATED), AS AMENDED, FOR THE PURPOSE OF REQUIRING FIFTY
PERCENT (50%) OF THE TAX ON ALL PREMIUMS COLLECTED FROM
CAPTIVE INSURANCE COMPANIES IN A FISCAL YEAR TO BE
DEPOSITED INTO THE FSM TRUST FUND, AND FOR OTHER PURPOSE.",

begs leave to report as follows:

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

As mentioned in the Committee Report for C.B. No. 20-198, as
part of its review process of the bill your Committee solicited
the input of the Executive Branch. Specifically it had
requested that the Department of Finance put down in writing its

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recommendations. In response the Secretary of Finance made a number of recommendations, all of which were incorporated in the final version of the bill as passed by Congress and vetoed by the President.

Your Committee held a hearing on Friday September 14, 2018, to review the veto with the Departments of Finance and Justice. The Secretary of Finance reiterated her position that the correct section to transfer the tax from was 54 F.S.M.C. section 321, which was what was done in the vetoed bill, by creating a new section 324 in title 54 F.S.M.C. Your Committee notes that a technical correction will be made in a later bill to renumber this section to 325 and make any other technical changes.

Your Committee has reviewed the veto of Congressional Act No. 20-101 and the veto message and recommends an override of the veto.

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Respectfully submitted,

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

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

/s/ Victor V. Goulard
Victor V. Goulard, member

/s/ Ferny S. Perman
Ferny S. Perman, member

/s/ Robson U. Romolow
Robson U. Romolow, member

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

/s/ Paliknoa K. Welly
Paliknoa K. Welly, member