

STANDING COMMITTEE REPORT NO. 20-82

RE: PRESIDENTIAL COMMUNICATION NO. 20-211

SUBJECT: FY 2019 BUDGET/W&M

SEPTEMBER 24, 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 jointly referred Presidential Communication No. 20-211 transmitting the National Government's proposed FY 2019 budget, begs leave to report as follows:

Presidential Communication No. 20-211 was transmitted to Congress with the *National Government Fiscal Year 2019 Recommended Budget* ("Budget Book"). Pursuant to rule 7, section 1(b), of the Official Rules of Procedure of the Twentieth Congress of the Federated States of Micronesia, your Committee has limited its review to portions of the budget under its jurisdiction. These are:

OPERATIONS Budget

- a) Office of the President
- b) Department of Finance and Administration
- c) Office of the National Public Auditor
- d) Congress

GRANTS, SUBSIDIES AND CONTRIBUTIONS Budget

Office of the President

- a) Asia-Pacific Institute for Broadcasting Development (AIBD)

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- b) Asia Pacific Broadcasting Union
- c) Pacific Island News Association
- d) Asia Pacific Investment
- e) Former Presidents' Allowance
- f) Joint Committee on Compact Review and Planning (JCRP)
- g) UNFPA
- h) Economic Diplomacy
- i) Citizens Outreach and Advocacy Program
- j) State Consultations
- k) Micronesia Island Forum
- l) PIF
- m) PIDF

Department of Finance and Administration

- n) CTA-OCO Membership Fee
- o) Maintenance Fee for FMIS
- p) PITTA – CTA
- q) ADB, IMF & Budget, Finance Consultations
- r) Macro Economic Advisor
- s) Global Forum Membership
- t) PFTAC Membership Fee
- u) CTA Conference

Congress

- v) IPU Conferences
- w) Climate Change Conferences
- x) ACP
- y) APPU
- z) APPF
- aa) Staff Upgrade
- ab) World Bank-IMF Annual Meeting
- ac) MRA Conference in Japan
- ad) Fisheries Meetings
- ae) IPU Annual Dues
- af) COFA Alliance National Network (CANN)
- ag) Travel to Investment Advisor (Wilshire)
- ah) Compact Historical Project
- ai) Trip to Vietnam

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Other Grants, Subsidies and Contributions

- aj) MLFC Loan Payment
- ak) Single Audit Fee (FY 2019)
- al) Staff Housing
- am) Recruitment and Repatriation
- an) Independence Day Activities
- ao) JCRP: Legal & Advocacy Services

CAPITAL AND HUMAN RESOURCE DEVELOPMENT Budget

President's Office

- a) FSM Trust Fund

Department of Finance and Administration

- b) FSM Warehouse Lease
- c) PCD Awareness and Training

This report, and all previous and subsequent reports by this Committee, should be treated as policy for this Nation, as defined by Congress. It the intent of your Committee that any commentary found in this report should be treated as policy for the guidance of the relevant departments, agencies and offices.

During May, June, and September of 2018, your Committee conducted public hearings regarding the FY 2019 budget and deliberated upon the findings and all other information gathered. Thereafter, your Committee held a final mark-up session in September of 2018. This Standing Committee Report reflects the recommendations of your Committee on Ways and Means regarding the proposed FY 2019 budget under its jurisdiction. Throughout this report, the amounts in columns titled "FY 18 Amended Appropriation" refer to the amounts appropriated for Fiscal Year 2018 through September 1, 2018 (as of P.L. No. 20-103).

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OPERATIONS BUDGET

(a) Office of the President

The following is an overview of your Committee's recommended funding for the total operations of the Office of the President in FY 2018. The funding source is domestic revenue.

Overview – Total Operations

	FY18 Original Appropriation	FY18 Amended Appropriation	FY19 Executive Recommendation	FY19 Committee Recommendation
Personnel	\$565,010	\$565,010	\$592,999	\$592,999
Travel	\$200,000	\$471,600	\$412,216	\$312,000
Contractual Services	\$420,000	\$610,000	\$420,000	\$420,000
OCE	\$100,000	\$150,000	\$120,096	\$119,500
Fixed Assets	\$5,500	\$5,500	\$5,500	\$5,500
Total	\$1,290,510	\$1,802,110	\$1,550,811	\$1,449,999
Employees	25	25	24	24

Your Committee notes that there was an error in the personnel cap for the Office of the President in the FY 2018 Budget. The cap was inadvertently set at 25, while there appeared to be 23 employees in the office. One employee was added in FY 2018 under the cap, and there are now 24 employees in the office. Your Committee notes that there are contradictions and errors in the budget book, and will diligently review personnel caps for all departments, offices, and agencies of the National Government to ensure all caps are accurate in the final budget bill.

Your Committee also notes that there will be small increases in personnel throughout the budget to reflect the increase in costs of fringe benefits. Finally, your Committee notes that only the personnel budget line item can be estimated to an exact amount, the remaining budget items will be rounded when possible for ease of tracking and computation.

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A detailed discussion of each of the divisions of the Office of the President follows.

Office of the President - President's Office

	FY18 Original Appropriation	FY19 Executive Recommendation	FY19 Committee Recommendation
Personnel	\$285,710	\$290,230	\$290,230
Travel	\$100,391	\$234,109	\$182,000
Contractual Services	\$183,000	\$183,000	\$183,000
OCE	\$25,904	\$46,000	\$46,000
Fixed Assets	\$3,000	\$3,000	\$3,000
Total	\$598,005	\$756,339	\$704,230
Employees	10	10	10

Your Committee heard testimony from the Office of the President regarding the increase in travel needs and OCE for the President's Office. Your Committee recommends partially funding the requested increase in the travel budget, and fully funding the increase in OCE.

Your Committee's recommended funding for Fiscal Year 2019 for the President's Office is \$704,230.

Office of the President - Public Information Office

	FY18 Original Appropriation	FY19 Executive Recommendation	FY19 Committee Recommendation
Personnel	\$60,721	\$44,984	\$44,984
Travel	\$19,609	\$19,609	\$20,000
Contractual Services	\$2,000	\$2,000	\$2,000
OCE	\$24,340	\$24,340	\$24,000
Fixed Assets	\$0	\$0	\$0
Total	\$106,670	\$90,933	\$90,984
Employees	3	2	2

Your Committee notes that three positions were approved in the Public Information Office for FY 2018, but there appeared to be two

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employees in the office. Your Committee recommends reducing the funding for personnel for this office, as requested by the Executive, and reducing the personnel cap to accurately reflect the personnel level of the office.

Your Committee's recommended funding for Fiscal Year 2019 for the Public Information Office is **\$90,984**.

Office of the President – Division of Overseas Development Assistance & Compact Management

	FY18 Original Appropriation	FY19 Executive Recommendation	FY19 Committee Recommendation
Personnel	\$129,916	\$132,105	\$132,105
Travel	\$70,000	\$139,714	\$100,000
Contractual Services	\$235,000	\$235,000	\$235,000
OCE	\$36,000	\$36,000	\$36,000
Fixed Assets	\$0	\$0	\$0
Total	\$470,916	\$542,819	\$503,105
Employees	7	6	6

Your Committee heard testimony regarding the increased travel needs of the Division of Overseas Development Assistance & Compact Management to cover Compact Trust Fund Committee meetings, and recommends partially funding the increase requested by the Executive. Your Committee notes that seven positions were approved in the division in FY 2018, but there appeared to be six employees in the division and the funding level was accurate for those six employees. Your Committee recommends reducing the personnel cap to accurately reflect the personnel level of the office.

Your Committee's recommended funding for Fiscal Year 2019 for the Division of Overseas Development Assistance & Compact Management is **\$503,105**.

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Office of the President – Division of Personnel

	FY18 Original Appropriation	FY19 Executive Recommendation	FY19 Committee Recommendation
Personnel	\$88,663	\$125,680	\$125,680
Travel	\$10,000	\$18,784	\$10,000
Contractual Services	\$0	\$0	\$0
OCE	\$13,756	\$13,756	\$13,500
Fixed Assets	\$2,500	\$2,500	\$2,500
Total	\$114,919	\$160,720	\$151,680
Employees	5	6	6

Your Committee notes there is an increase in personnel to reflect the addition of an employee to the Division of Personnel. Your Committee approved five employees for the division in the FY 2018 standing committee report; however, as your Committee previously noted, there was an error in the overall personnel cap for the Office of the President in FY 2018. There were also a number of vacant positions in the office, and your Committee assumes that was how the division was able to add an employee without seeking additional funding or an increase in the personnel cap for FY 2018. Your Committee would like to express its dismay that this sequence of events leads to an increase in the overall personnel budget for the Office of the President, and expects all offices and divisions of the National Government to adhere to the Public Service System regulations or the regulations become meaningless.

Your Committee's recommended funding for Fiscal Year 2019 for the Division of Personnel is **\$151,680**.

(b) Department of Finance and Administration

The following is an overview of your Committee's recommended funding for the Department of Finance and Administration. The funding source is domestic revenue.

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Personnel	\$1,825,775	\$1,895,775	\$2,039,754	\$2,039,754
Travel	\$190,401	\$356,401	\$296,083	\$290,000
Contractual Services	\$273,966	\$293,966	\$227,358	\$227,500
OCE	\$232,056	\$232,056	\$278,646	\$277,900
Fixed Assets	\$0	\$0	\$160,500	\$160,500
Total	\$2,522,198	\$2,777,860	\$3,002,341	\$2,995,654
Employees	104	104	113	113

A detailed discussion of each of the divisions of the Department of Finance and Administration follows.

Department of Finance - Office of the Secretary

	FY18 Original Appropriation	FY19 Executive Recommendation	FY19 Committee Recommendation
Personnel	\$100,928	\$98,454	\$98,454
Travel	\$47,166	\$47,166	\$47,000
Contractual Services	\$48,880	\$48,880	\$49,000
OCE	\$27,450	\$27,450	\$27,500
Fixed Assets	\$0	\$0	\$0
Total	\$224,424	\$221,950	\$221,954
Employees	4	4	4

Your Committee notes that the request for the Office of the Secretary is substantially the same as FY 2018, with personnel adjusted slightly downward to reflect actual costs of the office.

Your Committee's recommended funding for Fiscal Year 2019 for the Office of the Secretary is **\$221,954**.

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Department of Finance – Treasury (National and State Offices)

	FY18 Original Appropriation	FY19 Executive Recommendation	FY19 Committee Recommendation
Personnel	\$589,779	\$678,337	\$678,337
Travel	\$38,000	\$85,971	\$76,000
Contractual Services	\$78,478	\$78,478	\$78,500
OCE	\$95,400	\$95,400	\$95,400
Fixed Assets	\$0	\$30,000	\$30,000
Total	\$871,657	\$968,186	\$958,237
Employees	38	36	36

Your Committee notes that the employee cap for the Division of Treasury was inadvertently set at 38 for FY 2018, but the accurate number of employees is 36. Your Committee also notes that \$70,000 in additional personnel for the division was appropriated in Public Law No. 20-67 to fund two new approved positions. Your Committee therefore recommends funding the personnel budget as requested by the Executive to include these positions. Your Committee also recommends partially funding the increase in travel as requested.

Your Committee's recommended funding for Fiscal Year 2019 for the Division of Treasury is **\$958,237**.

Department of Finance - Customs and Tax Administration (National and State Offices)

	FY18 Original Appropriation	FY19 Executive Recommendation	FY19 Committee Recommendation
Personnel	\$837,658	\$930,766	\$930,766
Travel	\$50,000	\$72,211	\$82,000
Contractual Services	\$141,608	\$95,000	\$95,000
OCE	\$72,000	\$114,830	\$114,000
Fixed Assets	\$0	\$122,500	\$122,500
Total	\$1,101,266	\$1,335,307	\$1,344,266
Employees	48	57	57

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Your Committee approves an increase of nine positions in the Division of Customs and Tax Administration (CTA) to be located as follows: three in Chuuk, one in Kosrea, three in Pohnpei, and two in Yap. Your Committee notes that CTA reports an increase in actual collection over FY 2017, and your Committee wishes to support the continued efforts of CTA to increase collection with additional personnel.

Your Committee heard convincing testimony regarding the training and capacity building needs of CTA, and recommends an increase in travel above the Executive's recommendation to reflect these needs. Your Committee expects \$82,000 to cover the full training and capacity building needs of CTA for FY 2019 and does not expect to approve any supplemental requests in this regard. Your Committee recommends CTA plan the trainings accordingly to minimize travel costs and maximize the effectiveness of the appropriated funds.

Your Committee recommends an increase in OCE to reflect the needs of CTA. Your Committee also approves the increase in fixed assets, including the purchase of four vehicles, and expects one vehicle to be purchased for each state office. Your Committee notes that two vehicles were requested for Pohnpei, but that funding was also approved to purchase a pickup truck for Treasury, to be located in Pohnpei, and it was reported in hearings that CTA in Pohnpei would be able to utilize that pickup truck as well. Therefore, the four vehicles approved under CTA should be apportioned one per state office.

Your Committee's recommended funding for Fiscal Year 2019 for the Division of Customs and Tax Administration is **\$1,344,266**.

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Department of Finance - Investment and International Finance

	FY18 Original Appropriation	FY19 Executive Recommendation	FY19 Committee Recommendation
Personnel	\$84,039	\$92,654	\$92,654
Travel	\$30,000	\$55,400	\$50,000
Contractual Services	\$0	\$0	\$0
OCE	\$13,500	\$17,260	\$17,000
Fixed Assets	\$0	\$0	\$0
Total	\$127,539	\$165,314	\$159,654
Employees	5	5	5

Your Committee recommends a slight increase in travel and OCE for the Division of Investment and International Finance.

Your Committee's recommended funding for Fiscal Year 2019 for the Division of Investment and International Finance is **\$159,654**.

Department of Finance - Division of Budget and Economic Management

	FY18 Original Appropriation	FY19 Executive Recommendation	FY19 Committee Recommendation
Personnel	\$213,371	\$239,543	\$239,543
Travel	\$25,235	\$35,335	\$35,000
Contractual Services	\$5,000	\$5,000	\$5,000
OCE	\$23,706	\$23,706	\$24,000
Fixed Assets	\$0	\$8,000	\$8,000
Total	\$267,312	\$311,584	\$311,543
Employees	9	11	11

Your Committee recommends an increase of two positions as requested for the Division of Budget and Economic Management.

Your Committee's recommended funding for Fiscal Year 2019 for the Division of Budget and Economic Management is **\$311,543**.

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(d) Congress

The following is an overview of your Committee's recommended funding for the Legislative Branch. The funding source for all amounts recommended under the Legislative Branch is domestic revenue.

Overview – Total Operations

	FY18 Original Appropriation	FY18 Amended Appropriation	FY19 Executive Recommendation	FY19 Committee Recommendation
Personnel	\$1,374,805	\$1,395,287	\$1,621,719	\$1,557,860
Travel	\$848,368	\$1,053,368	\$848,368	\$1,043,000
Contractual Services	\$1,679,630	\$2,733,630	\$1,683,630	\$2,799,500
OCE	\$351,000	\$386,000	\$364,000	\$441,000
Fixed Assets	\$165,000	\$165,000	\$245,000	\$115,000
Total	\$4,418,803	\$5,733,285	\$4,762,717	\$5,956,360
Employees	67	67	67	67

A detailed discussion of each of the Offices of the Legislative Branch follows.

Congress – Speaker and Members

	FY18 Original Appropriation	FY18 Amended Appropriation	FY19 Executive Recommendation	FY19 Committee Recommendation
Personnel	\$430,530	\$430,530	\$438,150	\$438,150
Travel	\$663,368	\$1,083,368	\$663,368	\$853,000
Contractual Services	\$874,600	\$1,730,600	\$874,600	\$1,624,500
OCE	\$0	\$0	\$0	\$0
Fixed Assets	\$0	\$0	\$0	\$0
Total	\$1,968,498	\$3,244,498	\$1,976,118	\$2,915,650
Employees	14	14	14	14

Your Committee notes that under the amount recommended for travel, \$150,000 is dedicated to leadership travel (\$50,000 each for the

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travel needs of the Speaker, Vice Speaker, and Floor Leader), \$240,000 is dedicated to Committee Chairman travel (\$30,000 per Committee Chair), and \$60,000 for the travel needs of other members (\$20,000 per other member).

Your Committee also notes that under contractual services, a total of \$1,400,000 is dedicated to the Members' Representation Fund (\$100,000 per Member), a total of \$30,000 is dedicated to the Speaker's Representation Fund, a total of \$10,000 is dedicated to the Vice Speaker's Representation Fund, a total of \$10,000 is dedicated to the Floor Leader's Representation Fund, and a total of \$80,000 is dedicated to the Committee Representation Funds. Your Committee further notes that \$50,000 of the amount of contractual services may be used for the Medical Assistance Program to assist Members and staff with medical costs.

Your Committee's recommended funding for Fiscal Year 2019 for Speaker and Members is **\$2,915,650**.

Congress – Staff Offices

	FY18 Original Appropriation	FY18 Amended Appropriation	FY19 Executive Recommendation	FY19 Committee Recommendation
Personnel	\$944,275	\$964,757	\$1,183,569	\$1,119,710
Travel	\$150,000	\$260,000	\$150,000	\$150,000
Contractual Services	\$470,030	\$555,030	\$474,030	\$485,000
OCE	\$246,000	\$281,000	\$259,000	\$346,000
Fixed Assets	\$150,000	\$150,000	\$230,000	\$100,000
Total	\$1,960,305	\$2,210,787	\$2,296,599	\$2,200,710
Employees	53	53	53	53

Your Committee recommends funding personnel at \$1,119,710; this amount reflects an increase of \$10,000 for a total of \$35,000 for the pages to reflect the extra costs of providing benefits to the pages during Congressional sessions and \$35,000 to increase the salaries of certain exempt employees at your discretion.

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Your Committee recommends an increase in contractual services of \$15,000 over FY 2018 levels to hire an assistant administrative officer on contract to meet the needs of the Chuuk Delegation Office; your Committee will consider making this a permanent position in the FY 2020 budget review. Your Committee also recommends an increase of \$100,000 in OCE to fund the expected printing costs for the Compact Historical Project.

Your Committee recommends a decrease of \$50,000 in fixed assets and questions the need of any new vehicles.

Your Committee's recommended funding for Fiscal Year 2019 for Staff Offices is **\$2,200,710**.

Congress - Delegation Offices

Your Committee confirms and reminds the Delegation Offices that representation funds are not to be advanced, and that any representation required by the Delegation Office as a whole should be funded by each of the Members taking equal shares from their respective representation. No representation expenditure should be made by the Delegation Office beyond the maximum provided for each Member. In the amount in contractual services, up to \$50,000 per Member may be used for representation.

Your Committee recommends a total of **\$840,000** in appropriations for Delegation Offices, to be divided among the four State Delegation Offices as follows:

KOSRAE DELEGATION	FY18 Original Appropriation	FY18 Amended Appropriation	FY19 Executive Recommendation	FY19 Committee Recommendation
Travel	\$10,000	\$10,000	\$5,000	\$20,000
Contractual Services	\$40,000	\$150,000	\$45,000	\$80,000
OCE	\$20,000	\$20,000	\$20,000	\$20,000
Fixed Assets	\$0	\$0	\$0	\$0
Total	\$70,000	\$180,000	\$70,000	\$120,000

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POHNPEI DELEGATION	FY18 Original Appropriation	FY18 Amended Appropriation	FY19 Executive Recommendation	FY19 Committee Recommendation
Travel	\$10,000	\$10,000	\$10,000	\$0
Contractual Services	\$100,000	\$320,000	\$100,000	\$220,000
OCE	\$30,000	\$30,000	\$30,000	\$20,000
Fixed Assets	\$0	\$0	\$0	\$0
Total	\$140,000	\$360,000	\$140,000	\$240,000

CHUUK DELEGATION	FY18 Original Appropriation	FY18 Amended Appropriation	FY19 Executive Recommendation	FY19 Committee Recommendation
Travel	\$10,000	\$10,000	\$10,000	\$0
Contractual Services	\$160,000	\$490,000	\$160,000	\$320,000
OCE	\$30,000	\$30,000	\$30,000	\$30,000
Fixed Assets	\$10,000	\$10,000	\$10,000	\$10,000
Total	\$210,000	\$540,000	\$210,000	\$360,000

Your Committee notes that the funds recommended under fixed assets for the Chuuk Delegation include funding for an air conditioner.

YAP DELEGATION	FY18 Original Appropriation	FY18 Amended Appropriation	FY19 Executive Recommendation	FY19 Committee Recommendation
Travel	\$10,000	\$30,000	\$10,000	\$20,000
Contractual Services	\$30,000	\$120,000	\$30,000	\$70,000
OCE	\$25,000	\$25,000	\$25,000	\$25,000
Fixed Assets	\$5,000	\$5,000	\$5,000	\$5,000
Total	\$70,000	\$180,000	\$70,000	\$120,000

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(e) Office of the National Public Auditor

An overview of proposed funding for the Office of Public Auditor follows. The funding source for the National Public Auditor Office is domestic revenue.

Total Operations

	FY18 Original Appropriation	FY18 Amended Appropriation	FY19 Executive Recommendation	FY19 Committee Recommendation
Personnel	\$464,290	\$464,290	\$472,271	\$562,271
Travel	\$139,065	\$139,065	\$139,065	\$139,000
Contractual Services	\$86,000	\$86,000	\$98,633	\$99,000
OCE	\$63,500	\$63,500	\$66,500	\$66,500
Fixed Assets	\$10,000	\$10,000	\$10,000	\$10,000
Total	\$762,855	\$762,855	\$786,469	\$876,771
Employees	21	21	21	23

Your Committee heard convincing testimony regarding the needs of the Office of the Public Auditor, and recommends increasing personnel by two positions and providing funding for two audit supervisors for the office. Your Committee also recommends increasing contractual services to meet the needs of the office for technical support and IT services.

Your Committee's recommended funding for Fiscal Year 2019 for the Operations of the Office of Public Auditor is **\$876,771**.

GRANTS, SUBSIDIES AND CONTRIBUTIONS BUDGET

The funding source for all amounts recommended by the Committee under this section is domestic revenues.

Your Committee recommends funding Grants, Subsidies and Contributions in the amounts listed in the table below.

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GRANTS, SUBSIDIES & CONTRIBUTIONS	FY18 Original Appropriation	FY18 Amended Appropriation	FY19 Executive Recommendation	FY19 Committee Recommendation
Office of the President				
Asia-Pacific Institute for Broadcasting Development (AIBD)	\$4,500	\$4,500	\$4,500	\$4,500
Asia-Pacific Broadcasting Union	\$800	\$800	\$800	\$800
Pacific Island News Association	\$350	\$350	\$350	\$350
Asia Pacific Investment	\$250	\$250	\$250	\$250
Former Presidents' Allowance	\$50,000	\$50,000	\$50,000	\$50,000
Joint Committee on Compact Review and Planning (JCRP)	\$200,000	\$330,000	\$469,900	\$360,000
UNFPA	\$0	\$0	\$50,000	\$0
Economic Diplomacy	\$0	\$0	\$100,000	\$0
Citizens Outreach and Advocacy Program	\$0	\$0	\$100,000	\$0
State Consultations	\$0	\$0	\$75,000	\$0
Micronesia Island Forum	\$0	\$0	\$50,000	\$0

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Pacific Islands Forum	\$0	\$0	\$50,000	\$0
PIDF	\$0	\$0	\$50,000	\$0
Department Of Finance and Administration				
CTA-OCO Membership	\$14,024	\$14,024	\$14,024	\$14,024
Maintenance Fee:Financial Management Information System (FMIS)	\$55,000	\$55,000	\$55,000	\$55,000
PITTA - CTA	\$9,000	\$9,000	\$9,000	\$9,000
ADB, IMF and Budget, Finance Policy Consultations	\$25,000	\$25,000	\$25,000	\$25,000
Macro Economist Advisor	\$200,000	\$200,000	\$200,000	\$200,000
Global Forum Membership Fee	\$26,000	\$26,000	\$26,000	\$26,000
PFTAC Membership Fees	\$20,000	\$20,000	\$20,000	\$20,000
CTA Conference	\$35,000	\$35,000	\$35,000	\$35,000
Congress				
IPU Conferences	\$0	\$100,000	\$0	\$100,000
Climate Change Conferences	\$50,000	\$50,000	\$0	\$50,000
ACP	\$30,000	\$30,000	\$0	\$30,000
APPF	\$50,000	\$50,000	\$0	\$50,000
Staff Upgrade	\$25,000	\$25,000	\$0	\$25,000

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World Bank- IMF Annual Meeting	\$50,000	\$50,000	\$0	\$50,000
MRA Conference in Japan	\$30,000	\$30,000	\$0	\$30,000
Fisheries Meetings	\$30,000	\$30,000	\$0	\$30,000
IPU Dues	\$12,500	\$12,500	\$0	\$12,500
COFA Alliance National Network (CANN)	\$25,000	\$25,000	\$0	\$25,000
Travel to Investment Advisor (Wilshire)	\$0	\$70,000	\$0	\$70,000
Compact Historical Project	\$150,000	\$150,000	\$0	\$150,000
Trip to Vietnam	\$0	\$50,000	\$0	\$0
Other				
MLFC Loan Payment	\$260,000	\$260,000	\$260,000	\$260,000
Single Audit Fee	\$460,000	\$460,000	\$460,000	\$460,000
Staff Housing	\$510,000	\$510,000	\$510,000	\$510,000
Recruitment & Repatriation	223,218	223,218	223,218	\$223,218
Independence Day Activities	\$50,000	\$50,000	\$50,000	\$50,000
A&P: DC Legal & Lobbying Services	0	0	0	2,000,000
TOTAL	\$2,595,642	\$2,945,642	\$2,888,042	\$4,925,642

STANDING COMMITTEE REPORT NO. 20-82

RE: PRESIDENTIAL COMMUNICATION NO. 20-211

SUBJECT: FY 2019 BUDGET/W&M

SEPTEMBER 24, 2018

Your Committee recommends maintaining FY 2018 funding levels for the Grants, Subsidies and Contributions budget, with two exceptions. Your Committee recommends funding the JCRP at \$360,000 for FY 2019. Your Committee recognizes the important work of the JCRP and recommends the following breakdown of funds: \$305,000 for contractual services (your Committee specifically recognizes the need for the requested staff), \$50,000 for travel, and \$5,000 for OCE. Your Committee further recommends \$2,000,000 for Legal and Advocacy Services in Washington D.C.

CAPITAL AND HUMAN RESOURCE DEVELOPMENT BUDGET

The funding source for all amounts recommended by the Committee under this section is domestic revenue.

Your Committee recommends funding Investment in Capital and Human Resource Development in the amounts listed in the table below.

CAPITAL AND HUMAN RESOURCE DEVELOPMENT	FY18 Original Appropriation	FY18 Amended Appropriation	FY19 Executive Recommendation	FY19 Committee Recommendation
President's Office				
FSM Trust Fund	\$0	\$12,000,000	\$7,512,862	\$0
Department of Finance and Administration				
FSM Warehouse Lease and Maintenance	\$100,000	\$100,000	\$100,000	\$40,000
PCD Awareness and Training	\$15,000	\$15,000	\$15,000	\$15,000
TOTAL	\$115,000	\$115,000	\$115,000	\$65,000

Your Committee notes that the amount recommended for the FSM Warehouse Lease and Maintenance has been reduced to \$40,000 based on the testimony of the Department of Finance.

STANDING COMMITTEE REPORT NO. 20-82

RE: PRESIDENTIAL COMMUNICATION NO. 20-211

SUBJECT: FY 2019 BUDGET/W&M

SEPTEMBER 24, 2018

CONCLUSION

Your Committee on Ways and Means has reviewed the proposed Fiscal Year 2019 budget and carefully scrutinized all the information provided by the Office of the President, the Department of Finance and Administration, the Legislative Branch, and the Office of the National Public Auditor, including information relating to grants, subsidies and contributions and capital and human resource development which are under your Committee's jurisdiction. Based upon the information provided and its deliberations, your Committee recommends appropriation in the sums set forth above in the columns entitled "FY19 Committee Recommendation," subject to the availability of funds as determined by your Committee upon consolidation of all Committee recommendations.

Respectfully submitted,

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

/s/ Victor V. Gouland
Victor V. Gouland, member

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

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

Robson U. Romolow, member

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

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