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COMMITTEE ON
WAYS AND MEANS

STANDING COMMITTEE REPORT NO. 21-59

RE: PRESIDENTIAL COMMUNICATION NO. 21-253

SUBJECT: FY 2021 BUDGET/W&M

SEPTEMBER 14, 2020

The Honorable Wesley W. Simina
Speaker, Twenty-First Congress
Federated States of Micronesia
Fifth Regular Session, 2020

Dear Mr. Speaker:

Your Committee on Ways and Means, to which was jointly referred Presidential Communication No. 21-253 transmitting the National Government's proposed FY 2021 budget, begs leave to report as follows:

Presidential Communication No. 21-253 was transmitted to Congress with the *National Government Fiscal Year 2021 Recommended Budget* ("Budget Book"). Pursuant to rule 7, section 1(b), of the Official Rules of Procedure of the Twenty-First 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 Personnel
d) Congress
e) Office of the National Public Auditor

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GRANTS, SUBSIDIES AND CONTRIBUTIONS Budget

Office of the President

a) Asia-Pacific Institute for Broadcasting Development (AIBD)
b) Asia Pacific Broadcasting Union (ABU)
c) Pacific Island News Association
d) Asia Pacific Investment
e) Former Presidents' Allowance
f) Joint Committee on Compact Review and Planning (JCRP)

Department of Finance and Administration

g) ADB, IMF & Budget, Finance Consultations
h) Macro Economic Advisor
i) CTA-OCO Membership Fee
j) Maintenance Fee for FMIS
k) PITTA – CTA
l) Global Forum Membership
m) PFTAC Membership Fee
n) CTA Conference

Congress

o) IPU Conferences
p) Climate Change Conferences
q) ACP
r) APPU
s) APPF
t) Staff Upgrade
u) World Bank-IMF Annual Meeting
v) MRA Conference in Japan
w) Fisheries Meetings
x) IPU Annual Dues
y) COFA Alliance National Network (CANN)
z) Travel to Investment Advisor (Wilshire)
aa) Compact Historical Project
bb) Micronesian Productions

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Other Grants, Subsidies and Contributions

cc) MLFC Loan Payment
dd) Single Audit Fee (FY 2019)
ee) Staff Housing
ff) Recruitment and Repatriation
gg) Independence Day Activities
hh) Legal & Advocacy Service in Washington D.C.
ii) National Olympic Committee- Coaches & Qualifying
jj) Contribution to Tourism Sector Mitigation Fund

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 July and August of 2020, your Committee conducted public hearings regarding the FY 2021 budget and deliberated upon the findings and all other information gathered. Thereafter, your Committee held the final mark-up session on August 25, 2020. This Standing Committee Report reflects the recommendations of your Committee on Ways and Means regarding the proposed FY 2021 budget under its jurisdiction.

Throughout this report, the amounts in columns titled "FY 20 Amended Appropriation" refer to the amounts appropriated in Fiscal Year 2020 through August 2020 (as of P.L. No. 21-147). The amounts in columns

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titled "FY 21 Executive Recommendation" refers to the recommendations provided by the EBRC in Presidential Communication No. 21-253. Your Committee worked diligently to hold the departments and offices under its jurisdictions to their FY 20 original appropriation levels with the expectation of a significant reduction in the travel line items in light of the current travel restrictions in place due to the COVID-19 pandemic.

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 2021. The funding source is domestic revenue.

Overview – Total Operations

	FY20 Original Appropriation	FY20 Amended Appropriation	FY21 Executive Recommendation	FY21 Committee Recommendation
Personnel	$656,593	$656,593	$746,660	**$632,693**
Travel	$260,000	$349,943	$698,143	**$78,000**
Contractual Services	$470,000	$700,000	$800,000	**$470,000**
OCE	$105,000	$130,000	$188,450	**$105,000**
Fixed Assets	$3,000	$3,000	$30,000	**$3,000**
Total	$1,494,593	$1,839,536	$2,463,253	**$1,288,693**
Employees	**20**	**0**	**22**	**19**

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. Your Committee, being mindful of the current State of Emergency brought about by the COVID-19 pandemic, has not entertained any increase in

employees for FY 21. You Committee will continue to monitor the current economic situation and may make adjustments accordingly as the fiscal year progresses.

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

Office of the President - President's Office

	FY20 Amended Appropriation	FY20 Executive Recommendation	FY21 Committee Recommendation
Personnel	$479,504	$505,419	**$479,504**
Travel	$229,943	$499,267	**$42,000**
Contractual Services	$463,000	$560,000	**$233,000**
OCE	$70,000	$125,000	**$45,000**
Fixed Assets	$3,000	$15,000	**$3,000**
Total	**$1,245,447**	**$1,704,686**	**$802,504**
Employees	**12**	**12**	**12**

Your Committee heard testimony from the Office of the President requesting an increase in the salaries of a number of positions in this office. There was testimony that there was a general need to adequately compensate those positions. Your Committee also heard testimony requesting an increase in travel, with the recognition that it may not be possible due to the current travel ban.

Your Committee is mindful of the current economic situation brought about by the COVID-19 pandemic and may entertain an increase in the budget later in the fiscal year. Your Committee recommends funding at the FY 20 level with the exception of a 70% decrease in travel.

Your Committee's recommended funding for Fiscal Year 2021 for the President's Office is **$802,504.**

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Office of the President – Public Information Office

	FY20 Amended Appropriation	FY20 Executive Recommendation	FY21 Committee Recommendation
Personnel	$44,984	$100,859	**$44,984**
Travel	$20,000	$118,876	**$6,000**
Contractual Services	$2,000	$5,000	**$2,000**
OCE	$24,000	$27,450	**$24,000**
Fixed Assets	$0	$10,000	**$0**
Total	**$90,984**	**$262,185**	**$76,984**
Employees	**2**	**4**	**2**

Your Committee heard testimony requesting two new positions for the Public Information Office. The Office is requesting funding for an audio-visual specialist and a public information specialist. Your Committee also heard testimony regarding the increase in travel requested. The Public Information Office hopes to accompany the President on most of his official travels.

Your Committee notes that the Public Information Office is doing a fantastic job but cannot entertain an increase in their budget at this time of economic uncertainty. Your Committee recommends funding at the FY 20 level with the exception of a 70% decrease in travel.

Your Committee's recommended funding for Fiscal Year 2021 for the Public Information Office is **$76,984.**

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

	FY20 Amended Appropriation	FY20 Executive Recommendation	FY21 Committee Recommendation
Personnel	$132,105	$140,382	**$108,205**
Travel	$100,000	$80,000	**$30,000**
Contractual Services	$235,000	$235,000	**$235,000**
OCE	$36,000	$36,000	**$36,000**

Fixed Assets	$0	$5,000	**$0**
Total	**$503,105**	**$496,382**	**$409,205**
Employees	**6**	**6**	**5**

Your Committee heard testimony requesting an increase in personnel to provide for a raise for the Special Assistant's to the President for Compact Management and Overseas Development Assistance. The President has deemed these positions to be a critical focal point for the nation's efforts going into 2023 and wishes to adjust their salaries accordingly.

Your Committee shares the President's belief that this office's efforts are critical going into 2023 but is mindful of the current economic situation brought about by the COVID-19 pandemic. Your Committee recommends funding at the FY 20 level with the exception of a 70% decrease in travel.

Your Committee further notes that this division has a vacant position for a program manager. Your Committee recommends deleting this position and salary from the FY 21 budget. Your Committee encourages this division to request this position be reinstated in a supplemental if it is deemed necessary later in FY 21.

Your Committee's recommended funding for Fiscal Year 2021 for the Division of Overseas Development Assistance & Compact Management is **$409,205.**

(b) <u>Department of Finance and Administration</u>

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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Overview – Total Operations

	FY20 Original Appropriation	FY20 Amended Appropriation	FY21 Executive Recommendation	FY21 Committee Recommendation
Personnel	$2,079,683	$2,129,683	$2,203,111	**$1,968,891**
Travel	$287,000	$256,690	$302,000	**$86,100**
Contractual Services	$227,500	$227,500	$227,500	**$227,500**
OCE	$256,500	$276,500	$256,500	**$256,500**
Fixed Assets	$144,500	$144,500	$90,000	**$144,500**
Total	**$2,995,183**	**$3,034,873**	**$3,079,111**	**$2,683,491**
Employees	**115**	**115**	**119**	**111**

Your Committee heard testimony from the Department of Finance and Administration highlighting four areas that were not included in their budget submission to the EBRC. They requested a $40,000 increase for the Customs and Tax Administration consumables ($10,000 each field office); a $5,000 increase to the Treasury- Chuuk Field Office fixed assets request and a $5,000 increase to the Customs and Tax Administration field office in Pohnpei – both requests are to facilitate the purchase of a vehicle; the inclusion of language in the line item in grants, subsidies, and contributions for ADB, IMF & Budget – Finance Policy Consultations, to allow for the purchase of video conferencing equipment; and finally a $20,000 reduction in their request also under grants, subsidies, and contributions for FSM Trust Fund Board Meetings and Investment Conferences.

Your Committee notes that this department has four (4) vacant positions. Your Committee recommends deleting these position and salaries from the FY 21 budget. Your Committee encourages this department to request these positions be reinstated in a supplemental if they are deemed necessary later in FY 21.

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

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Department of Finance - Office of the Secretary

	FY20 Amended Appropriation	FY20 Executive Recommendation	FY21 Committee Recommendation
Personnel	$148,454	$113,294	**$84,826**
Travel	$21,690	$52,000	**$15,600**
Contractual Services	$49,000	$49,000	**$49,000**
OCE	$47,500	$27,500	**$27,500**
Fixed Assets	$25,000	$7,000	**$25,000**
Total	**$291,644**	**$248,794**	**$201,916**
Employees	**4**	**4**	**3**

Your Committee's recommended funding for Fiscal Year 2021 for the Office of the Secretary is **$201,916.**

Department of Finance – Treasury (National and State Offices)

	FY20 Amended Appropriation	FY20 Executive Recommendation	FY21 Committee Recommendation
Personnel	$697,900	$739,863	**$613,142**
Travel	$70,000	$70,000	**$21,000**
Contractual Services	$78,500	$78,500	**$78,500**
OCE	$85,000	$85,000	**$85,000**
Fixed Assets	$30,000	$35,000	**$30,000**
Total	**$961,400**	**$1,008,363**	**$827,642**
Employees	**38**	**39**	**36**

Your Committee's recommended funding for Fiscal Year 2021 for the Division of Treasury is **$827,642.**

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

	FY20 Amended Appropriation	FY20 Executive Recommendation	FY21 Committee Recommendation
Personnel	$951,132	$962,390	**$938,726**

Travel	$80,000	$80,000	**$24,000**
Contractual Services	$95,000	$95,000	**$95,000**
OCE	$105,000	$105,000	**$105,000**
Fixed Assets	$89,500	$40,000	**$89,500**
Total	**$1,320,632**	**$1,282,390**	**$1,252,226**
Employees	**57**	**58**	**56**

Your Committee's recommended funding for Fiscal Year 2021 for the Division of Customs and Tax Administration is **$1,252,226.**

Department of Finance - Investment and International Finance

	FY20 Amended Appropriation	**FY20 Executive Recommendation**	**FY21 Committee Recommendation**
Personnel	$92,654	$108,021	**$92,654**
Travel	$50,000	$65,000	**$15,000**
Contractual Services	$0	$0	**$0**
OCE	$15,000	$15,000	**$15,000**
Fixed Assets	$0	$3,000	**$0**
Total	**$157,654**	**$191,021**	**$122,654**
Employees	**5**	**6**	**5**

Your Committee notes that the requested increase in personnel is to accommodate for a new employee in the investment division to administer the trust fund matters as recommended by the annual audit. You Committee appreciates the offices attempt to incorporate audit recommendations into its structure but is also mindful of the current economic situation brought about by the COVID-19 pandemic and may revisit this request at a later time.

Your Committee's recommended funding for Fiscal Year 2021 for the Division of Investment and International Finance is **$122,654.**

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Department of Finance - Division of Budget and Economic Management

	FY20 Amended Appropriation	FY20 Executive Recommendation	FY21 Committee Recommendation
Personnel	$239,543	$279,543	**$239,543**
Travel	$35,000	$35,000	**$10,500**
Contractual Services	$5,000	$5,000	**$5,000**
OCE	$24,000	$24,000	**$24,000**
Fixed Assets	$0	$5,000	**$0**
Total	**$303,543**	**$348,543**	**$279,043**
Employees	**11**	**12**	**11**

Your Committee's recommended funding for Fiscal Year 2021 for the Division of Budget and Economic Management is **$279,043.**

(c) Office of Personnel

	FY20 Amended Appropriation	FY20 Executive Recommendation	FY21 Committee Recommendation
Personnel	$167,479	$162,964	**$134,816**
Travel	$6,238	$23,400	**$3,000**
Contractual Services	$0	$0	**$0**
OCE	$11,000	$11,000	**$11,000**
Fixed Assets	$0	$0	**$0**
Total	**$184,717**	**$197,364**	**$148,816**
Employees	**6**	**8**	**5**

Your Committee notes that the office is requesting two new positions. This is the same request as FY 20 in which your Committee stated that once the Director is confirmed, your Committee would consider additional personnel upon request. The Office of Personnel still does

not have a Director and has an additional vacancy for a secretary. With the current economic uncertainty, your Committee recommends reducing the number of employees to 5 and your Committee encourages this office to request this position be reinstated in a supplemental if it is deemed necessary later in FY 21.

Your Committee further notes that it heard testimony requesting a new vehicle for the office. The Office of Personnel testified that the office staff is using a ten-year-old vehicle. Your Committee is mindful of that this is also the second year in a row that this request was made and encourages this office to make a supplemental request once the pandemic has subsided.

Your Committee's recommended funding for Fiscal Year 2021 for the Division of Personnel is **$148,816.**

(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

	FY20 Original Appropriation	**FY20 Amended Appropriation**	**FY21 Executive Recommendation**	**FY21 Committee Recommendation**
Personnel	$1,649,860	$1,649,860	$1,704,523	**$1,642,625**
Travel	$870,000	$693,606	$840,000	**$261,000**
Contractual Services	$3,242,000	$5,207,000	$3,450,000	**$3,242,000**
OCE	$359,000	$459,000	$379,000	**$359,000**
Fixed Assets	$175,000	$175,000	$325,000	**$175,000**
Total	**$6,295,860**	**$8,184,466**	**$6,698,523**	**$5,686,860**
Employees	**67**	**67**	**67**	**66**

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

Congress - Speaker and Members

	FY20 Original Appropriation	FY20 Amended Appropriation	FY21 Executive Recommendation	FY21 Committee Recommendation
Personnel	$438,150	$438,150	$438,150	**$438,150**
Travel	$750,000	$478,745	$700,000	**$225,000**
Contractual Services	$2,325,000	$2,900,000	$2,415,000	**$2,325,000**
OCE	$0	$0	$0	**$0**
Fixed Assets	$0	$0	$0	**$0**
Total	**$3,513,150**	**$3,816,895**	**$3,553,150**	**$2,988,150**
Employees	**14**	**14**	**14**	**14**

Your Committee notes that under contractual services, a total of $2,100,000 is dedicated to Members' Representation Fund ($150,000 per Member), a total of $30,000 is dedicated to the Speaker's Representation Fund, a total of $10,000 is dedicated to 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's 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 2021 for Speaker and Members is **$2,988,150.**

Congress – Staff Offices

	FY20 Original Appropriation	FY20 Amended Appropriation	FY21 Executive Recommendation	FY21 Committee Recommendation
Personnel	$1,211,710	$1,211,710	$1,266,373	$1,211,475
Travel	$100,000	$197,057	$105,000	$30,000

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Contractual Services	$562,000	$562,000	$700,000	$602,000
OCE	$259,000	$349,000	$274,000	$259,000
Fixed Assets	$160,000	$160,000	$310,000	$160,000
Total	**$2,292,710**	**$2,292,710**	**$2,655,429**	**$2,262,475**
Employees	**53**	**53**	**54**	**52**

Your Committee heard testimony from the Director of Administration of the FSM Congress that personnel should be adjusted slightly to reflect recently signed employment contracts. Additionally, $40,000 was added to contractual services from FY20 in light of the 2021 elections ($10,000 for new member orientation and $30,000 for 22nd Congress inauguration). These items were overlooked when the budget was submitted to the Executive.

Your Committee also is in receipt of a letter from the Director of Administration of the FSM Congress requesting funds for repairs and improvements to the Congress facilities. The request included: Chamber improvements - $112,074. Your Committee notes that the request for Chamber improvements was accommodated in Public Law 21-171.

Your Committee further notes that this division has a vacant position. Your Committee recommends deleting this position and salary from the FY 21 budget. Your Committee encourages this division to request this position be reinstated in a supplemental if it is deemed necessary later in FY 21.

Your Committee's recommended funding for Fiscal Year 2021 for Staff Offices is **$2,262,475.**

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Congress - Delegation Offices

Your Committee confirms and reminds the Delegation Offices that Member Representation is 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 Member representation. No representation expenditure should be made by the Delegation Office beyond the maximum provided for each Member. In the remaining amount in contract services, up to $25,000 per member may be used for representation.

Your Committee recommends a total of **$490,000** in appropriations for Delegation Offices, to be divided among the four State Delegation Offices as follows:

KOSRAE DELEGATION	FY20 Original Appropriation	FY20 Amended Appropriation	FY21 Executive Recommendation	FY21 Committee Recommendation
Travel	$0	$0	$5,000	**$0**
Contractual Services	$50,000	$250,000	$45,000	**$50,000**
OCE	$20,000	$20,000	$20,000	**$20,000**
Fixed Assets	$0	$0	$0	**$0**
Total	**$70,000**	**$270,000**	**$70,000**	**$70,000**

POHNPEI DELEGATION	FY20 Original Appropriation	FY20 Amended Appropriation	FY21 Executive Recommendation	FY21 Committee Recommendation
Travel	$10,000	$7,804	$10,000	**$3,000**
Contractual Services	$100,000	$500,000	$100,000	**$100,000**
OCE	$30,000	$30,000	$30,000	**$37,000**
Fixed Assets	$0	$0	$0	**$0**
Total	**$140,000**	**$537,804**	**$140,000**	**$140,000**

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CHUUK DELEGATION	FY20 Original Appropriation	FY20 Amended Appropriation	FY21 Executive Recommendation	FY21 Committee Recommendation
Travel	$0	$0	$10,000	$0
Contractual Services	$160,000	$760,000	$160,000	$160,000
OCE	$40,000	$40,000	$30,000	$40,000
Fixed Assets	$10,000	$10,000	$10,000	$10,000
Total	**$210,000**	**$810,000**	**$210,000**	**$210,000**

YAP DELEGATION	FY20 Original Appropriation	FY20 Amended Appropriation	FY21 Executive Recommendation	FY21 Committee Recommendation
Travel	$10,000	$10,000	$10,000	**$3,000**
Contractual Services	$45,000	$235,000	$30,000	**$45,000**
OCE	$10,000	$20,000	$25,000	**$17,000**
Fixed Assets	$5,000	$5,000	$5,000	**$5,000**
Total	**$70,000**	**$270,000**	**$70,000**	**$70,000**

(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

	FY20 Original Appropriation	FY20 Amended Appropriation	FY21 Executive Recommendation	FY21 Committee Recommendation
Personnel	$580,920	$625,920	$845,661	**$603,196**
Travel	$139,000	$101,566	$160,000	**$41,700**
Contractual Services	$99,000	$99,000	$168,000	**$99,000**
OCE	$66,500	$66,500	$95,400	**$66,500**
Fixed Assets	$10,000	$10,000	$62,000	**$10,000**
Total	**$895,420**	**$902,986**	**$1,331,061**	**$820,396**
Employees	**23**	**24**	**34**	**23**

Your Committee would like to note that the Office of the Public Auditor in their submission to the Executive, proposes to open a field office in Chuuk. This is can be seen in their requested increase in personnel and employees. Your Committee recommends the office remains at the same levels at FY 20 and revisit the recommendation for field offices in the states at a later time.

Your Committee further notes that there was an additional employee hired in FY 20 which is reflected in the increase in personnel and employees in FY 21. Otherwise, your Committee recommends funding at the FY 20 level with the exception of a 70% decrease in travel.

Your Committee also notes that this office has a vacant position. Your Committee recommends deleting this position and salary from the FY 21 budget. Your Committee encourages this division to request this

position be reinstated in a supplemental if it is deemed necessary later in FY 21.

Your Committee's recommended funding for Fiscal Year 2021 for the Operations of the Office of Public Auditor is **$820,396.**

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.

GRANTS, SUBSIDIES & CONTRIBUTIONS	FY20 Original Appropriation	FY20 Amended Appropriation	FY21 Executive Recommendation	FY21 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)	$800,000	$910,000	$1,400,000	$800,000
Department Of Finance and Administration				
CTA-OCO Membership	$14,024	$14,024	$14,024	**$14,024**
Maintenance Fee for 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 & Budget Finance Policy Consultations /Video Conferencing Equipment	$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**

FSM National Government taxes prior year debts to Social Security	$0	$44,000	$0	**$0**
Prior Years obligations for Chuuk Finance Office	$0	$7,560	$0	**$0**
Finance prior years obligations for acting capacity	$0	$1,150	$0	**$0**
FSM Trust Fund Board	$0	$0	$0	**$0**
Tax Compliance Initiative	$0	$0	$25,000	**$0**
FSM Hosting OCE Annual Conferences	$0	$0	$50,000	**$0**
FSM Trust Fund Board Meetings & Investment Conferences	$0	$0	$50,000	**$0**
Congress				
IPU Conferences	$100,000	$230,000	$230,000	**$100,000**
Climate Change Conferences	$50,000	$0	$50,000	**$50,000**
ACP	$30,000	$0	$30,000	**$30,000**

APPF	$50,000	$50,000	$50,000	**$50,000**
Staff Upgrade	$25,000	$25,000	$25,000	**$25,000**
World Bank-IMF Annual Meeting	$50,000	$0	$50,000	**$50,000**
MRA Conference in Japan	$30,000	$0	$30,000	**$30,000**
Fisheries Meetings	$30,000	$0	$30,000	**$30,000**
IPU Annual Dues	$12,500	$12,500	$12,500	**$12,500**
COFA Alliance National Network (CANN)	$25,000	$25,000	$25,000	**$25,000**
Travel to Investment Advisor (Wilshire)	$70,000	$70,000	$70,000	**$70,000**
Compact Historical Project	$25,000	$25,000	$25,000	**$25,000**
Micronesian Productions	$70,000	$70,000	$0	**$70,000**
Other				
MLFC Loan Payment	$260,000	$260,000	$260,000	**$260,000**
Single Audit Fee	460,000	$460,000	$490,000	**$460,000**
Staff Housing	$660,000	$735,000	$750,000	**$660,000**
Recruitment and Repatriation	$223,218	$223,218	$223,218	**$223,218**

Independence Day Activities	$50,000	$26,295	$50,000	**$50,000**
Legal and Advocacy Service in Washington D.C. (A&P)	$105,000	$0	$0	$0
National Olympic Committee - Coaches & Qualifying	$0	$45,000	$0	$0
Contribution to Tourism Sector Mitigation Fund	$0	$1,000,000	$0	$0
TOTAL	**$4,659,647**	**$4,365,642**	**$3,460,642**	**$4,659,647**

Your Committee notes that the JCRP submitted a budget request to your Committee for $1,320,763. It is $520,763 more than the request for FY 20, with $502,000 being for travel. In light of the current restrictions on travel, your Committee recommends funding the JCRP at FY 20 levels and will revisit any supplemental requests at a later time.

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.

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The table below does not include funding for State Priority Infrastructure Projects.

CAPITAL AND HUMAN RESOURCE DEVELOPMENT	FY20 Original Appropriation	FY20 Amended Appropriation	FY21 Executive Recommendation	FY21 Committee Recommendation
Department of Finance and Administration				
FSM Warehouse Lease and Maintenance	$40,000	$40,000	$40,000	**$40,000**
PCD Awareness and Training	$15,000	$15,000	$15,000	**$0**
President's Office				
FSM Trust Fund	$0	$0	$0	**$0**
TOTAL	**$55,000**	**$55,000**	**$55,000**	**$40,000**

Your Committee notes that it received Departmental Communication No. 21-65 which is a funds status report for the Section 9 of the FY 20 budget. In that report, there is an outstanding balance exceeding the $15,000 requested for PCD Awareness and Training in FY 21. Your Committee confirmed with the Department of Finance and Administration that this amount will not be expended before FY 21, therefore your Committee recommends using the remaining funds from FY 20 for PCD Awareness and Training for FY 21.

CONCLUSION

Your Committee on Ways and Means has reviewed the proposed Fiscal Year 2021 budget and carefully scrutinized all the information provided by the Office of the President, the Department of Finance and Administration, the Legislative Branch, Office of Personnel, the Office of the National Public Auditor, and the Joint Committee on Compact Review and Planning including information relating to grants, subsidies and contributions and capital and human resource

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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 "FY21 Committee Recommendation," subject to the availability of funds as determined by your Committee upon consolidation of all Committee recommendations.

Respectfully submitted,

Isaac V. Figir, chairman

Victor V. Gouland, member

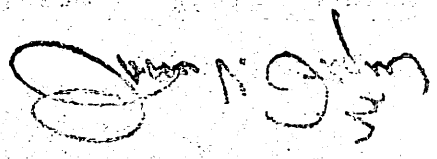
Dion G. Neth, member

Ferny S. Perman, member

Robson U. Romolow, member

Joseph J. Urusemal, member

Paliknoa K. Welly, member



STANDING COMMITTEE REPORT NO. 21-54

RE: PRESIDENTIAL COMMUNICATION NO. 21-253/W&M

SUBJECT: FY 2021 BUDGET

SEPTEMBER 14, 2020

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 "FY21 Committee Recommendation," subject to the availability of funds as determined by your Committee upon consolidation of all Committee recommendations.

Respectfully submitted,

Isaac V. Figir, chairman

Victor V. Gouland, member

Dion G. Neth, member

Ferny S. Perman, member

Robson U. Romolow, member

Joseph J. Urusemal, member

Paliknoa K. Welly, member