CONGRESS OF THE FEDERATED STATES OF MICRONESIA
P. O. Box PS 3
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COMMITTEE ON
WAYS AND MEANS

STANDING COMMITTEE REPORT NO. 21-58

RE: C.A. NO. 21-157 (P.C. No. 21-366)/W&M.

SUBJECT: VETO OVERRIDE

AUGUST 21, 2020

The Honorable Wesley W. Simina
Speaker, Twenty-First Congress
Federated States of Micronesia
Seventh Special Session, 2020
Dear Mr. Speaker:

Your Committee on Ways and Means to which was referred Presidential Communication No. 21-366, regarding the veto of Congressional Act No. 21-157, entitled:

> "AN ACT TO CREATE A NEW SECTION 224C OF TITLE 55 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA (ANNOTATED), AS AMENDED, TO CLARIFY THE PROCUREMENT PROCESS OF THE JUDICIAL AND LEGISLATIVE BRANCHES OF THE NATIONAL GOVERNMENT AND OF THE NATIONAL PUBLIC AUDITOR'S OFFICE WITH RESPECT TO COMPUTER EQUIPMENT, AND FOR OTHER PURPOSES.",

begs leave to report as follows:

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

Your Committee has reviewed Congressional Act No. 21-157, and the accompanying veto message (P.C. No. 21-366). Your Committee notes the President's comments in P.C. No. 21-366, and your Committee has determined that the veto is purely based on policy.

STANDING COMMITTEE REPORT NO. 21-58

RE: C.A. NO. 21-157 (P.C. No. 21-366)/W&M.

SUBJECT: VETO OVERRIDE

AUGUST 20, 2020

CONCLUSION

Your Committee has reviewed the veto of Congressional Act No. 21-157 and the veto message. Your Committee finds that the decision made by the Executive was made based on policy and not on a legal or constitutional defect of the Act. Your Committee recommends overriding the veto of Congressional Act No. 21-157.

Respectfully submitted,

Isaac V. Figir, chairman

Dion G. Neth, member

Victor V. Gouland, member

Robson U. Romolow, member

Ferny S. Perman, member

Joseph J. Urusemal, member

Paliknow K. Welly, member

STANDING COMMITTEE REPORT NO. 21-58

RE: C.A. NO. 21-157 (P.C. No. 21-366)/W&M.

SUBJECT: VETO OVERRIDE

AUGUST 21, 2020

CONCLUSION

Your Committee has reviewed the veto of Congressional Act No. 21-157 and the veto message. Your Committee finds that the decision made by the Executive was made based on policy and not on a legal or constitutional defect of the Act. Your Committee recommends overriding the veto of Congressional Act No. 21-157.

Respectfully submitted,

Isaac V. Figir, chairman

Dion G. Neth, member

Victor V. Gouland, member

Robson U. Romolow, member

Ferny S. Perman, member

Joseph J. Urusemal, member

Paliknow K. Welly, member

The President
Palikir, Pohnpei
Federated States of Micronesia

PRESIDENTIAL COMM. NO. 21-366
FSM CONGRESS

August 4, 2020

RECEIVED
AUG 6 2020
FSM Congress
Speakers Office

The Honorable Wesley W. Simina
Speaker
Twenty-First Congress
Federated States of Micronesia
Palikir, Pohnpei, FM 96941

Dear Speaker Simina:

I regret that I return the following act, which I vetoed for the reasons stated in this transmittal:

> Congressional Act No. 21-157, entitled: "AN ACT TO CREATE A NEW SECTION 224C OF TITLE 55 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA (ANNOTATED), AS AMENDED, TO CLARIFY THE PROCUREMENT PROCESS OF THE JUDICIAL AND LEGISLATIVE BRANCHES OF THE NATIONAL GOVERNMENT AND OF THE NATIONAL PUBLIC AUDITOR'S OFFICE WITH RESPECT TO COMPUTER EQUIPMENT, AND FOR OTHER PURPOSES."

On a technical matter, I noted the existing Section 224C of Title 55 of the FSM Code governing purchases of supplies and personal property involving less than $1,000. This section is necessary and useful and should not be deleted by the act under consideration.

On substantive matters, I fully noted the "confidentiality" aspect of the act, especially as it relates to the legitimate non-public information such as security, defense and national interest. Being the implementer of national laws, the Executive is duty bound to respect the legitimate ends of confidentiality of information. But with respect to procurement of computers and electronic gadgets, Section 7.1.9 of the Financial Management Regulation governs the disposal of fixed assets. It requires the FSM Finance to "survey" such assets and dispose of them according to the regulation. This procedure is for transparency and accountability purposes. It is not designed to break any confidential information that requires protection. For transparency purposes, I urge that a uniform national rule of internal control and accountability is respected. If the present financial management regulation needs to be strengthened further, then we should hold a consultation on how to achieve that objective. But it would be difficult to reinforce accountability and internal control in our national offices if only one branch of government is expected to comply. I would rather recommend for a more open dialogue before passing any suitable legislation on this important issue. Thank you.

Sincerely,

David W. Panuelo
President

CONGRESS OF THE FEDERATED STATES OF MICRONESIA
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Office of the Chief Clerk

PRESIDENTIAL COMM. NO. 21-366
FSM CONGRESS

RECEIVED
JUL 10 2020
Office of the President FSM

July 10, 2020

His Excellency David W. Panuelo
President
Federated States of Micronesia
Palikir, Pohnpei FM 96941

Dear President Panuelo:

I have the honor to transmit herewith Congressional Act No. 21-157, "AN ACT TO CREATE A NEW SECTION 224C OF TITLE 55 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA (ANNOTATED), AS AMENDED, TO CLARIFY THE PROCUREMENT PROCESS OF THE JUDICIAL AND LEGISLATIVE BRANCHES OF THE NATIONAL GOVERNMENT AND OF THE NATIONAL PUBLIC AUDITOR'S OFFICE WITH RESPECT TO COMPUTER EQUIPMENT, AND FOR OTHER PURPOSES, which was passed by the Twenty-First Congress of the Federated States of Micronesia, Sixth Special Session, 2020, by a two-thirds vote of all the State delegations as required and as duly certified.

Sincerely yours,

Liwiana Ramon Ioanis
Chief Clerk, Congress of the
Federated States of Micronesia

Enclosures

ACT NO. 21-157
(CONGRESSIONAL BILL NO. 21-235)

TWENTY-FIRST CONGRESS OF THE
FEDERATED STATES OF MICRONESIA
SIXTH SPECIAL SESSION
JULY 1 - 10, 2020

An Act

TO CREATE A NEW SECTION 224C OF TITLE 55 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA (ANNOTATED), AS AMENDED, TO CLARIFY THE PROCUREMENT PROCESS OF THE JUDICIAL AND LEGISLATIVE BRANCHES OF THE NATIONAL GOVERNMENT AND OF THE NATIONAL PUBLIC AUDITOR'S OFFICE WITH RESPECT TO COMPUTER EQUIPMENT, AND FOR OTHER PURPOSES.

INTRODUCED BY SENATOR: WESLEY W. SIMINA

DATE: JUNE 30, 2020

REFERRED TO: COMMITTEE ON WAYS AND MEANS

WITHDRAWN – JULY 6, 2020

FIRST READING: – JULY 6, 2020

SECOND READING: – JULY 07, 2020

Liwiana Ramon Ioanis
Chief Clerk, FSM Congress

Office of the Speaker

CONGRESS OF THE FEDERATED STATES OF MICRONESIA
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ACT NO. 21-157

(CONGRESSIONAL BILL NO. 21-235)

We hereby certify that on July 7 the foregoing act passed Second and Final Reading of the Twenty-First Congress of the Federated States of Micronesia, Sixth Special Session, 2020, by a two-thirds vote of all the State delegations as required under article IX, section 20, of the Constitution of the Federated States of Micronesia.

Wesley W. Simina
Speaker
Congress of the
Federated States of Micronesia

Liwiana Ramon Ioanis
Chief Clerk
Congress of the
Federated States of Micronesia

TWENTY-FIRST CONGRESS OF THE FEDERATED STATES OF MICRONESIA

SIXTH SPECIAL SESSION, 2020 CONGRESSIONAL BILL NO. 21-235

AN ACT

To create a new section 224C of title 55 of the Code of the Federated States of Micronesia (Annotated), as amended, to clarify the procurement process of the Judicial and Legislative branches of the national government and of the National Public Auditor's Office with respect to computer equipment, and for other purposes.

BE IT ENACTED BY THE CONGRESS OF THE FEDERATED STATES OF MICRONESIA:

Section 1. Title 55 of the Code of the Federated States of Micronesia (Annotated), as amended, is hereby amended by creating a new section 224C to read as follows:

"Section 224C. Procurement of Computer Equipment.

(1) Custody of Used Computer Equipment. To protect the confidentiality of data therein, the Judicial and Legislative branches of the national government and the National Public Auditor's Office shall have the option of retaining the custody of used or inoperative computer equipment, instead of turning such assets over to the Department of Finance and Administration for the purpose of procurement or replacement. The branches of government exercising that option shall so notify the Secretary and institute internal policies and procedures to account for and protect such assets.

(2) Choice of Equipment. The Judicial and Legislative branches shall have the full discretion to choose the computer equipment to procure.

(3) For the purpose of this section "computer equipment" shall mean computer, laptop, monitor, printer, server, equipment including smartphones, and any equipment normally associated with a computer system."

Section 2. This act shall become law upon the approval of the President of the Federated States of Micronesia or by its becoming law without such approval.

_____, 2020

Disapproved
8/4/20

David W. Panuelo
President
Federated States of Micronesia