

Your Committee on Ways and Means, to which was referred C.B. No. 13-7, entitled:

"A BILL FOR AN ACT TO FURTHER AMEND PUBLIC LAW NO. 11-59, AS AMENDED, BY AMENDING SECTION 7 THEREOF TO CHANGE THE ALLOTTEE FOR CERTAIN FUNDS PREVIOUSLY APPROPRIATED TO ELECTION DISTRICT NO. 1 IN CHUUK STATE, AND FOR OTHER PURPOSES."

begs leave to report as follows:

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

As introduced, this bill would timely change the allottee for funds allocated for infrastructure and other projects and programs in Election District No.1 in Chuuk from the Mortlock Development Commission to the Chuuk State Commission on Improvement Projects. The bill does not require the appropriation of any additional funds.

Your committee has determined that this change of allottee is appropriate to insure the timely completion of the affected projects. It has also come to the attention of your committee that the allotment procedure for Election District No.4 in Chuuk State also needs to be changed to comply with the permanent injunction issued by the Supreme Court in the Udot Municipality v. Federated States of Micronesia, et al, Civil Case No. 2000-1018. Your Committee on Ways and Means, therefore, recommends the following amendments to C.B. No. 13-7 to reflect this change:

1. Title, line 4 - after "State" insert "and to provide a procedure for distribution of funds appropriated to Election District No.4 in Chuuk State".
2. Page 2, line 14 - after "Coordinator" insert "and PROVIDED THAT, for funds appropriated under subsection (5) of section 3 of this act, the allottee shall follow the procedures set forth in subsection (3) of this section 7".
3. Page 3, line 7 - delete the quotation marks.
4. Page 3, between lines 7 and 8 - insert the following:

(3) Prior to any obligation or disbursement of funds appropriated under subsection (5) of section 3 of this act, the allottee shall, by written notice to the mayor of each municipality in Election District No.4 of Chuuk State, inform each municipality of the amount of funds available for allotment in Election District No.4 and invite requests for project funding from each municipality. Not less than thirty (30) days nor more than sixty (60) days after delivering such notice, the allottee shall convene and chair a panel consisting of all the Mayors of Election District No.4 or their designees, who shall review the requests for project funding and determine, by majority vote, which project(s) shall be recommended to the allottee for funding. The allottee shall not have a vote except in the event of a tie. In the event of a tie, the Executive Director of the allottee, or his designee, shall cast the deciding vote. The allottee's designee shall not be a resident or former resident of Election District No.4. Subject to relevant law and regulations, the allottee shall follow the recommendations of the panel."

With the amendments set forth above, your Committee on Ways and Means is in accord with the intent and purpose of C.B. No. 13-7 and recommends its passage on First Reading and that it be placed on the Calendar for Second and Final Reading in the form attached hereto as C.B. No. 13-7, C.D.1.

Signed by Senators Asor, Kansou, Asugar, Figir and Christian