

S.C.R. NO. 13-21
AUGUST 27, 2003

COMMITTEE ON WAYS AND MEANS

Your Committee on Ways and Means, to which was referred C.B. No. 13-33, entitled:

" A BILL FOR AN ACT TO FURTHER AMEND PUBLIC LAW NO. 9-100, AS AMENDED, BY AMENDING SECTION 1 THEREOF, TO REALLOCATE FUNDS APPROPRIATED FOR CERTAIN GRANTS IN THE SOUTHERN NAMONEAS IN THE STATE OF CHUUK, BY AMENDING SECTION 6 THEREOF, TO CHANGE AN ALLOTTEE OF FUNDS, TO CHANGE THE LAPSE DATE, AND TO REMOVE A REQUIREMENT FOR CONSULTATION WITH MEMBERS OF CONGRESS PRIOR TO OBLIGATING CERTAIN FUNDS, AND FOR OTHER PURPOSES. " ,

begs leave to report as follows:

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

This amendment would change the use of certain funds appropriated to pay National Government Health Insurance Plan contributions for Chuuk State employees in Fiscal Year 1997. The funds would be used for a meeting and celebration for residents of the Mortlocks on Kuttu (\$15,000); statewide youth development grants (\$20,000); and relief grants for the outer islands of Chuuk State (\$52,000).

The amendment would also remove language in the allottee section requiring consultation with Members of Congress by the allottee of funds for Pohnpei State before funds can be obligated. Such a requirement was deemed unconstitutional in *FSM v. Udot*, Appeal Case No. C2-2001, decided August 6, 2003.

Finally, the bill would change the allottee of the reallocated funds to the Chuuk State Commission on Improvement Projects, and would clarify that the reallocated funds would lapse as of September 30, 2004.

Your committee would like to offer the following technical corrections to the bill:

1. Page 2, line 4 - after "(i)" insert "Mortlocks meeting and celebration on Kuttu".
2. Page 2, line 5 - after "development" delete "needs" and insert "grants" in lieu thereof.

As amended herein, your Committee Ways and Means is in accord with the intent and purpose of C.B. No. 13-33, 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. 13-33, C.D.1.

Signed by Senators Asor, Kansou, Figir, Phillip and Halbert