

9-25-73

Capital Projects KO'd

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Slashed TT Budget Set

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SAIPAN — A conference committee in the United States Congress, composed of members of both the House of Representatives and the Senate, has recommended passage of a \$47.7 million appropriation bill for the Trust Territory's Fiscal Year 1974, the Micronesian News Service reported yesterday.

The amount is some \$8

million less than requested. All of the money cut was earmarked for capital improvement projects.

The committee thus went along with the action of the Senate earlier this month in cutting more than \$8.2 million in construction funds from the bill. The recommendation of the conference committee now goes to the House and Senate for final passage, which observers say is likely. The bill will then go to President Nixon.

News of the action reached Saipan over the weekend, and officials immediately began preparing to submit to Congress a request for a supplemental appropriation covering the capital improvement projects eliminated in the cut.

Chief among these, a spokesman said, is the \$4.5 million Ponape Referral Hospital.

Also included are a number of power projects in various districts, funds for the continued rehabilitation of Bikini atoll, and \$1.5 million dollars' worth of school projects, including Jaluit High School in the Marshalls.

There is some indication from Washington that a supplemental request would be looked upon favorably by the appropriations subcommittees of the House and Senate Interior Affairs Committees, MNS said.

This word was relayed to Saipan from Congress of Micronesia Representative Raymond Setik of Truk, chairman of the Joint Committee on Program and Budget Planning, who along with the Senate and House leadership is in Washington working on the budget problem.

As it now stands, the TT budget for FY 1974 includes only operations money, with nothing for capital improvement. By comparison, the \$60 million budget for last fiscal year includes more than \$16 million in capital improvement funds.