
A BILL FOR AN ACT

To appropriate the sum of \$[~~28,165,902~~] [~~7,369,742~~] 7,473,242 from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 2004, for the purpose of funding for the first quarter of the fiscal year ending September 30, 2004, [the] certain operations of all branches of the National Government of the Federated States of Micronesia, its agencies, various programs, grants, subsidies and contributions; to establish a capital and human resource development budget, and for other purposes.

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

1 Section 1. Definitions.

2 (1) "Budget book" means the document entitled Federated
3 States of Micronesia National Government Fiscal Year 2004 Proposed
4 Budget transmitted by the President to the Speaker of the Congress
5 of the Federated States of Micronesia on April 30, 2003.

6 (2) "Activity" means that set of activities set forth in
7 the performance budget pages of the budget book for each
8 department, office, agency or program. An activity is a general
9 policy objective, the achievement of which can be measured. An
10 activity is part of a strategic goal and will result in a certain
11 amount or number of outputs or units of work.

12 (3) "Performance budget pages" means those pages in the
13 budget book that set forth the mission, strategic goals,
14 activities, objectives and outputs for each department or agency.

15 Section 2. Operating expenses of the Executive Branch. The
16 sum of \$[~~12,983,079~~] 3,245,770, or so much thereof as may be
17 necessary, is hereby appropriated from the General Fund of the

1 Federated States of Micronesia for the fiscal year ending
2 September 30, 2004, for the operations of the Executive Branch of
3 the National Government during the first quarter of fiscal year
4 2004. The sum appropriated by this section shall be apportioned
5 as follows:

6 (1) Office of the President

7 \$~~[670,864]~~ 167,716, for the activities set forth in the
8 performance budget pages 1 through 3 of the budget book.

9 (2) Department of Foreign Affairs

10 \$~~[3,294,902]~~ 823,726, for the activities set forth in the
11 performance budget pages 21 through 26 of the budget book.

12 (3) Department of Finance and Administration

13 \$~~[2,083,756]~~ 520,939, for the activities set forth in the
14 performance budget pages 74 through 78 of the budget book. [~~Of~~
15 ~~the total funds appropriated, \$1,241,195 shall be deemed to come~~
16 ~~from funds available under the Amended Compact for capacity~~
17 ~~building.~~]

18 (4) Department of Economic Affairs

19 \$~~[1,150,946]~~ 287,737, for the activities set forth in the
20 performance budget pages 115 through 122 of the budget book. [~~Of~~
21 ~~the total funds appropriated, \$513,091 shall be deemed to come~~
22 ~~from funds available under the Amended Compact for private sector~~
23 ~~development, \$79,477 for environment sector and \$440,466 for~~
24 ~~capacity building.~~]

25 (5) Department of Transportation, Communication and

1 Infrastructure

2 \$~~[1,211,252]~~ 302,813, for the activities set forth in the
3 performance budget pages 172 through 175 of the budget book.

4 (6) Department of Health, Education and Social Affairs
5 \$~~[1,412,163]~~ 353,041, for the activities set forth in the
6 performance budget pages 202 through 209 of the budget book. [~~of~~
7 ~~the total funds appropriated, \$536,856 shall be deemed to come~~
8 ~~from funds available under the Amended Compact for education~~
9 ~~sector and \$548,023 for health sector.~~]

10 (7) Department of Justice

11 \$~~[2,678,835]~~ 669,709, for the activities set forth in the
12 performance budget pages 330 through 334 of the budget book. [~~of~~
13 ~~the total funds appropriated, \$1,363,645 shall be deemed to come~~
14 ~~from funds available under the Amended Compact for capacity~~
15 ~~building.~~]

16 (8) FSM Public Defender Office

17 \$~~[480,362]~~ 120,091, for the activities set forth in the
18 performance budget pages 364 through 365 of the budget book.

19 Section 3. Operating expenses of the Legislative Branch.

20 The sum of \$~~[2,765,746]~~ [~~691,487~~] 778,987, or so much thereof as
21 may be necessary, is hereby appropriated from the General Fund of
22 the Federated States of Micronesia for the fiscal year ending
23 September 30, 2004, for the operations of the Legislative Branch
24 of the National Government during fiscal year 2004 in order to
25 achieve the activities set forth in the performance budget pages

1 372 through 373 of the budget book.

2 Section 4. Operating expenses of the National Judiciary
3 Branch.

4 The sum of \$~~[898,767]~~ 242,268, or so much thereof as may be
5 necessary, is hereby appropriated from the General Fund of the
6 Federated States of Micronesia for the fiscal year ending
7 September 30, 2004, for the operations of the Judiciary Branch of
8 the National Government during fiscal year 2004 in order to
9 achieve the activities set forth in the performance budget pages
10 398 through 400 of the budget book. [~~Of the total funds~~
11 ~~appropriated, \$648,390 shall be deemed to come from funds~~
12 ~~available under the Amended Compact for capacity building.~~]

13 Section 5. Operating expenses of the Public Auditor Office.

14 The sum of \$~~[505,522]~~ 126,388, or so much thereof as may be
15 necessary, is hereby appropriated from the General Fund of the
16 Federated States of Micronesia for the fiscal year ending
17 September 30, 2004, for the operations of the Office of the FSM
18 Public Auditor during fiscal year 2004 in order to achieve the
19 activities set forth in the performance budget pages 409 through
20 410 of the budget book. [~~All funds appropriated herein shall be~~
21 ~~deemed to come from funds available under the Amended Compact for~~
22 ~~capacity building.~~]

23 Section 6. Operating expenses of agencies of the National
24 Government.

25 The sum of \$~~[1,403,341]~~ 372,925, or so much thereof as may be

1 necessary, is hereby appropriated from the General Fund of the
2 Federated States of Micronesia for the fiscal year ending
3 September 30, 2004, for the operations of the following boards,
4 commissions and agencies during fiscal year 2004. The sum
5 appropriated by this section shall be apportioned as follows:

6 (1) National Oceanic Resource Management Authority
7 \$~~[380,787]~~ 95,197, for the activities set forth in the performance
8 budget pages 418 through 420 of the budget book.

9 (2) Board of Regents - COM-FSM
10 \$~~[84,460]~~ 21,115, for the activities set forth in the performance
11 pages 428 through 429 of the budget book. [~~All funds appropriated~~
12 ~~herein shall be deemed to come from funds available under the~~
13 ~~Amended Compact for education sector.~~]

14 (3) FSM Coconut Development Authority
15 \$~~[115,533]~~ 28,883, for the activities set forth in the performance
16 budget pages 434 of the budget book.

17 (4) FSM Banking Board
18 \$~~[138,384]~~ 34,596, for the activities set forth in the performance
19 budget pages 440 through 442 of the budget book.

20 (5) FSM Postal Services
21 \$~~[612,537]~~ 153,134, for the activities set forth in the
22 performance budget pages 448 through 450 of the budget book.

23 (6) FSM National Fisheries Corporation
24 \$~~[156,000]~~ 39,000 for the activities set forth in the performance
25 budget page 458 of the budget book.

1 Section 7. Special Programs.

2 The sum of \$~~[641,683]~~ 160,421, or so much thereof as may be
3 necessary, is hereby appropriated from the General Fund of the
4 Federated States of Micronesia for the fiscal year ending
5 September 30, 2004, for the following special programs during
6 fiscal year 2004. The sum appropriated by this section shall be
7 apportioned as follows:

8 (1) FSM Aquaculture Center

9 \$~~[91,833]~~ 22,958 for the activities set forth in the performance
10 budget page 462 of the budget book.

11 (2) Joint Committee on Compact Economic Negotiations (JCN)
12 \$~~[297,000]~~ 74,250, for the activities set forth in the performance
13 budget pages 468 through 469 of the budget book.

14 (3) Office of the National Election Director
15 \$~~[237,850]~~ 59,463 for the activities set forth in the performance
16 budget page 475 of the budget book.

17 (4) National Authorizing Committee (APU/EU/Cotonou
18 Agreement)
19 \$~~[15,000]~~ 3,750, for the activity set forth in the performance
20 budget page 482 of the budget book.

21 Section 8. Grants, Subsidies and Contributions.

22 The sum of \$~~[2,664,637]~~ [~~666,445~~], **682,445** or so much thereof as
23 may be necessary, is hereby appropriated from the General Fund of
24 the Federated States of Micronesia for the fiscal year ending
25 September 30, 2004, for the following grants, subsidies and

1 contributions during fiscal year 2004. The sum appropriated by
 2 this section shall be apportioned as follows:

3 (1) Department of Foreign Affairs

4 (a) Forum Secretariat\$ [~~35,000~~] 8,750

5 (b) The Pacific Community [~~30,000~~] 7,500

6 (c) United Nations Economic and Social

7 Commission for Asia and the Pacific (ESCAP) [~~5,000~~] 1,250

8 (d) United Nations Membership Fee [~~60,000~~] 15,000

9 (e) East-West Center [~~10,000~~] 2,500

10 (2) Department of Finance and Administration

11 (a) [~~National Authorizing Committee~~] [~~8,000~~]

12 ACP/EU (Cotonou) Membership Fee 2,000

13 (b) World Bank Group (Additional Membership

14 Fee) [~~72,570~~] 18,143

15 (3) Department of Economic Affairs

16 (a) Pacific Islands Development Program .. [~~15,000~~] 3,750

17 (b) Forum Fisheries Agency (FFA) [~~21,000~~] 5,250

18 (c) United Nations Development Program

19 (UNDP) [~~3,000~~] 750

20 (d) Coordinating Commission for

21 Offshore Mineral Prospecting (CCOMP)\$ [~~8,000~~] 2,000

22 (e) Intellectual Property Rights

23 Protection for FSM Biological Diversity [~~20,000~~] 5,000

24 (f) Pacific Asian Travel Association

25 (PATA) [~~5,000~~] 1,250

1	(g) FSM Economic Summit	[100,702]	<u>25,000</u>
2	(h) National Implementing Strategy for		
3	Climate Change	[25,440]	<u>6,250</u>
4	(i) National Plant Protection Program ...	[60,000]	<u>15,000</u>
5	(j) Pohnpei and Yap Vulnerability		
6	Adaptation	[50,000]	<u>12,500</u>
7	(k) Privatization of Public Enterprises		
8	and Corporations (Government Reform)	[133,120]	<u>33,280</u>
9	(l) United Nations Environmental Protection	[600]	<u>150</u>
10	(m) Household Income and Expenditure Survey	[151,524]	
11	<u>37,881</u>		
12	(n) FSM Migration Statistics System	[60,000]	<u>15,000</u>
13	(o) FSM Giant Clam Culture\$[11,440]	<u>2,860</u>
14	(p) FSM Coastal Fisheries Consortium	[21,000]	<u>5,250</u>
15	(4) Department of Health, Education and Social		
16	Affairs		
17	(a) United Nations Funds for		
18	Population Activity	[3,000]	<u>750</u>
19	(b) South Pacific Regional Environmental		
20	Program (SPREP)	[7,375]	<u>1,844</u>
21	(c) Aid to Non-Public Schools	[250,000]	<u>62,500</u>
22	(d) Financial Assistance for FSM Students		
23	at College of Marshall Islands (CMI) and Palau Community		
24	College (PCC)	[50,000]	<u>12,500</u>
25	(e) World Health Organization (WHO)		

1	Membership Fee	[41,385]	<u>10,346</u>
2	(f) National Board of Nursing	[38,000]	<u>9,500</u>
3	(g) Pacific Islands Health Officers		
4	Association (PIHOA)	[20,000]	<u>5,000</u>
5	(h) National Close-Up Local Program	\$[64,000]	<u>16,000</u>
6	(i) FSM Amateur Sports Association	[35,000]	<u>8,750</u>
7	(j) College of Micronesia Board	[5,000]	<u>1,250</u>
8	(k) Association of Territorial Health		
9	Associations	[2,000]	<u>500</u>
10	(l) Basic Social Services Project; provided		
11	that the sum appropriated in this line item shall		
12	be deemed to come from carryover funds from Section		
13	221(b) of Compact I	[66,294]	<u>16,574</u>
14	<u>(m) FSM Red Cross</u>		<u>16,000</u>
15	(5) Department of Transportation, Communication		
16	and Infrastructure		
17	(a) Asia Pacific Telecommunity	[7,640]	<u>1,910</u>
18	(b) International Telecommunication Union [57,639]		<u>14,410</u>
19	(c) International Civil Aviation		
20	Organization	[28,050]	<u>7,013</u>
21	(d) Micronesian Shipping Commission	[10,000]	<u>2,500</u>
22	(e) Utilities for FSM Capital	[300,000]	<u>75,000</u>
23	(6) Coconut Development Authority		
24	(a) Copra Subsidy	[100,000]	<u>25,000</u>
25	(b) Asia Pacific Coconut Community	[15,500]	<u>3,875</u>

1	(7) Other Grants, Subsidies and Contributions	
2	(a) Kosrae Judiciary	\$ [58,500] <u>16,250</u>
3	(b) Pohnpei Judiciary	[81,000] <u>20,250</u>
4	(c) Chuuk Judiciary	[81,000] <u>20,250</u>
5	(d) Yap Judiciary	[63,000] <u>17,500</u>
6	(e) Micronesian Legal Services (MLFC)	[150,000] <u>37,500</u>
7	(f) COM Treaty Obligations	[25,000] <u>6,250</u>
8	(g) FSM FEMA/Disaster Matching	[200,000] <u>50,000</u>
9	(h) <u>State Law Enforcement</u>	<u>38,250</u>

10 Section 9. Capital and Human Resource Development.

11 The sum of \$ ~~[6,197,798]~~ 1,586,848, or so much thereof as may be
 12 necessary, is hereby appropriated from the General Fund of the
 13 Federated States of Micronesia for the fiscal year ending
 14 September 30, 2004, for capital improvement, development programs
 15 and projects and human resource development. The sum appropriated
 16 under this section shall be apportioned as follows:

17 (1) College of Micronesia-FSM

18 (a) Operations of the College of Micronesia-FSM,
 19 including planning, construction and maintenance of
 20 college facilities [~~. All funds appropriated herein~~
 21 ~~shall be deemed to come from funds available under~~
 22 ~~the Amended Compact for education sector~~ ~~\$3,000,000]~~ \$750,000

23 (b) Student assistance for tuition and
 24 housing to be deemed as deriving from carryover funds
 25 from section 216(a)(3) of the Compact I ~~[475,000]~~ 118,750

1	(c) COM-FSM Chuuk Campus Facility [; PROVIDED		
2	THAT funds appropriated in this line item shall be		
3	deemed to come from funds available under the Amended		
4	Compact for infrastructure development]	[\$350,000]	<u>87,500</u>
5	(d) FSM Fisheries and Maritime Institute [;		
6	PROVIDED THAT funds appropriated in this line item		
7	shall be deemed to come from funds available under		
8	the Amended Compact for the education sector]	[708,393]	<u>177,098</u>
9	(2) National Staff Upgrading [; PROVIDED THAT		
10	funds appropriated herein shall be deemed to come from		
11	funds available under the Amended Compact for capacity		
12	building]	[50,000]	<u>12,500</u>
13	(3) FSM Visitor Bureau	[500,000]	<u>-0-</u>
14	(4) EMPAT Phase III [; PROVIDED THAT \$38,479 of		
15	funds appropriated herein shall be deemed to come from		
16	funds available under the Amended Compact for		
17	capacity building]	[47,000]	<u>11,750</u>
18	(5) 3 rd Convention of FSM Coastal Fisheries	[17,000]	<u>4,351</u>
19	(6) FSM Development Bank - Business Development		
20	Loan Program	[\$1,000,000]	<u>-0-</u>
21	(7) FSS Palikir Slipping	[200,000]	<u>50,000</u>

22 Section 10. Employment ceilings. The maximum
23 number of positions for each branch and agency of the
24 National Government shall be as follows:

25	(1) Executive Branch		424
----	----------------------------	--	-----

1	(2) Legislative Branch	[57] <u>58</u>
2	(3) Judiciary Branch	[26] <u>27</u>
3	(4) Public Auditor	[15] <u>16</u>
4	(5) Agencies	
5	(a) National Oceanic Resource Management	
6	Authority	11
7	(b) Coconut Development Authority.....	3
8	(c) National Postal Services.....	38
9	(d) FSM Banking Board.....	4
10	(6) Special Programs	
11	(a) FSM Aquaculture Center.....	4
12	(b) Joint Committee on Compact Economic	
13	Negotiations	4
14	(c) Office of National Election Director	11

15 Section 11. Reprogramming.

16 Reprogramming to increase employee salary shall not be permitted.

17 The President may reprogram up to ten percent to and from the

18 funds appropriated to each department and office in section 2

19 (Operating Expenses of the Executive Branch). Reprogramming

20 within a department or agency shall be effected by the head of

21 such department by specifying in writing to the Secretary of the

22 Department of Finance and Administration, FSM National Government

23 the activities for which funding is either increased or decreased.

24 Section 12. Allotment and management of funds and lapse

25 date.

1 (1) General Provisions.

2 (a) All funds appropriated by this act shall be
3 allotted, managed, administered, and accounted for in accordance
4 with applicable law, including, but not limited to, the Financial
5 Management Act of 1979;

6 (b) The allottees shall be responsible for ensuring
7 that these funds, or so much thereof as may be necessary, are used
8 solely for the purposes specified in this act, and that no
9 obligations are incurred in excess of the sum appropriated.

10 (2) Allottees. The allottees of the funds appropriated
11 by this act are as follows:

12 (a) section 2 - the allottee of these funds shall be
13 the President of the Federated States of Micronesia;

14 (b) section 3 - the allottee of these funds shall be
15 the Speaker of the Congress of the Federated States of Micronesia;

16 (c) section 4 - the allottee of these funds shall be
17 the Chief Justice of the Supreme Court of the Federated States of
18 Micronesia;

19 (d) section 5 - the allottee of these funds shall be
20 the Public Auditor of the Federated States of Micronesia;

21 (e) section 6 through 9 - the allottee of these
22 funds shall be the President of the Federated States of
23 Micronesia; EXCEPT THAT for the following subsections of section 6
24 through 9 of this act, the allottees shall be:

25 (i) section 8, subsection (7)(a) through (7)(d)

1 - the allottee of these funds shall be the Chief Justice of the
2 respective state;

3 (ii) section 9, subsection (1)(a) through (1)(d)

4 - the allottee of these funds shall be the President of the
5 College of Micronesia-FSM;

6 (3) Lapse Dates. The authority of the allottees to
7 obligate funds appropriated by this act shall lapse as of
8 September 30, 2004, EXCEPT that funds appropriated under section 9
9 of this act shall not lapse.

10 Section 13. This act shall become law upon approval by the President

11

12

13 Date: 8/27/03

Introduced by: /s/ Henry C. Asugar

14

Henry C. Asugar
(by request)

15