

AN ACT

To amend Public Law No. 13-19, by amending sections 1 through 9 thereof for the purposes of adding a definition and appropriating an additional sum of \$6,498,440 from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 2004, to fund the 2nd quarter of Fiscal Year 2004, the operations of all branches of the National Government of the Federated States of Micronesia, its agencies, programs, grants, subsidies and contributions and to provide funding for the capital and human resource development budget, for a fiscal year 2004 annual budget total to date of \$13,694,492; by adding a new section 13 to authorize the use of grant funds from the Government of the United States to reimburse certain expenses paid from local revenues; and for other purposes.

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

1 Section 1. Section 1 of Public Law No. 13-19 is hereby
2 amended to read as follows:

3 "Section 1. Definitions.

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

9 (2) 'Activity' means that set of activities set
10 forth in the performance budget pages of the budget
11 book for each department, office, agency or program.
12 An activity is a general policy objective, the
13 achievement of which can be measured. An activity is
14 part of a strategic goal and will result in a certain

1 amount or number of outputs or units of work.

2 (3) 'Performance budget pages' means those pages in
3 the budget book that set forth the mission, strategic
4 goals, activities, objectives and outputs for each
5 department or agency.

6 (4) 'Amended Compact' means the Compact of Free
7 Association, as amended, between the Government of the
8 United States of America and the Government of the
9 Federated States of Micronesia."

10 Section 2. Section 2 of Public Law No. 13-19 is hereby
11 amended to read as follows:

12 "Section 2. Operating expenses of the Executive
13 Branch. The sum of \$6,512,544, or so much thereof as
14 may be necessary, is hereby appropriated from the
15 General Fund of the Federated States of Micronesia for
16 the fiscal year ending September 30, 2004, for the
17 operations of the Executive Branch of the National
18 Government during the first and second quarters of
19 fiscal year 2004. The sum appropriated by this
20 section shall be apportioned as follows:

21 (1) Office of the President
22 \$335,432, for the activities set forth in the
23 performance budget pages 1 through 3 of the budget
24 book.

25 (2) Department of Foreign Affairs

1 \$1,647,452, for the activities set forth in the
2 performance budget pages 21 through 26 of the budget
3 book.

4 (3) Department of Finance and Administration
5 \$1,047,878, for the activities set forth in the
6 performance budget pages 74 through 78 of the budget
7 book.

8 (4) Department of Economic Affairs
9 \$575,474, for the activities set forth in the
10 performance budget pages 115 through 122 of the budget
11 book.

12 (5) Department of Transportation, Communication and
13 Infrastructure
14 \$620,626, for the activities set forth in the
15 performance budget pages 172 through 175 of the budget
16 book.

17 (6) Department of Health, Education and Social
18 Affairs
19 \$706,082, for the activities set forth in the
20 performance budget pages 202 through 209 of the budget
21 book.

22 (7) Department of Justice
23 \$1,339,418, for the activities set forth in the
24 performance budget pages 330 through 334 of the budget
25 book.

1 (8) FSM Public Defender Office
2 \$240,182, for the activities set forth in the
3 performance budget pages 364 through 365 of the budget
4 book."

5 Section 3. Section 3 of Public Law No. 13-19 is hereby
6 amended to read as follows:

7 "Section 3. Operating expenses of the Legislative
8 Branch.

9 The sum of \$1,506,974 or so much thereof as may be
10 necessary, is hereby appropriated from the General
11 Fund of the Federated States of Micronesia for the
12 fiscal year ending September 30, 2004, for the
13 operations of the Legislative Branch of the National
14 Government during fiscal year 2004 in order to achieve
15 the activities set forth in the performance budget
16 pages 372 through 373 of the budget book. Of the sum
17 appropriated in this section, \$19,500 shall be
18 allocated to pay renovation, expansion and
19 construction costs associated with improvements to the
20 annex building located behind the Offices of the
21 Congress of the Federated States of Micronesia at
22 Palikir."

23 Section 4. Section 4 of Public Law No. 13-19 is hereby
24 amended to read as follows:

25 "Section 4. Operating expenses of the National

1 Judiciary Branch.

2 The sum of \$484,536, or so much thereof as may be
3 necessary, is hereby appropriated from the General
4 Fund of the Federated States of Micronesia for the
5 fiscal year ending September 30, 2004, for the
6 operations of the Judiciary Branch of the National
7 Government during fiscal year 2004 in order to achieve
8 the activities set forth in the performance budget
9 pages 398 through 400 of the budget book."

10 Section 5. Section 5 of Public Law No. 13-19 is hereby
11 amended to read as follows:

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

14 The sum of \$252,776, or so much thereof as may be
15 necessary, is hereby appropriated from the General
16 Fund of the Federated States of Micronesia for the
17 fiscal year ending September 30, 2004, for the
18 operations of the Office of the FSM Public Auditor
19 during fiscal year 2004 in order to achieve the
20 activities set forth in the performance budget pages
21 409 through 410 of the budget book."

22 Section 6. Section 6 of Public Law No. 13-19 is hereby
23 amended to read as follows:

24 "Section 6. Operating expenses of agencies of the
25 National Government.

1 The sum of \$743,850, or so much thereof as may be
2 necessary, is hereby appropriated from the General
3 Fund of the Federated States of Micronesia for the
4 fiscal year ending September 30, 2004, for the
5 operations of the following boards, commissions and
6 agencies during fiscal year 2004. The sum
7 appropriated by this section shall be apportioned as
8 follows:

9 (1) National Oceanic Resource Management Authority
10 \$190,394, for the activities set forth in the
11 performance budget pages 418 through 420 of the budget
12 book.

13 (2) Board of Regents - COM-FSM
14 \$42,230, for the activities set forth in the
15 performance budget pages 428 through 429 of the budget
16 book.

17 (3) FSM Coconut Development Authority
18 \$57,766, for the activities set forth in the
19 performance budget pages 434 of the budget book.

20 (4) FSM Banking Board
21 \$69,192, for the activities set forth in the
22 performance budget pages 440 through 442 of the budget
23 book.

24 (5) FSM Postal Services
25 \$306,268, for the activities set forth in the

1 performance budget pages 448 through 450 of the budget
2 book.

3 (6) FSM National Fisheries Corporation
4 \$78,000, for the activities set forth in the
5 performance budget page 458 of the budget book."

6 Section 7. Section 7 of Public Law No. 13-19 is hereby
7 amended to read as follows:

8 "Section 7. Special Programs.

9 The sum of \$272,342, or so much thereof as may be
10 necessary, is hereby appropriated from the General
11 Fund of the Federated States of Micronesia for the
12 fiscal year ending September 30, 2004, for the
13 following special programs during fiscal year 2004.

14 The sum appropriated by this section shall be
15 apportioned as follows:

16 (1) FSM Aquaculture Center
17 \$45,916, for the activities set forth in the
18 performance budget page 462 of the budget book.

19 (2) Joint Committee on Compact Economic Negotiations
20 (JCN) \$100,000, for the activities set forth in the
21 performance budget pages 468 through 469 of the budget
22 book.

23 (3) Office of the National Election Director
24 \$118,926, for the activities set forth in the
25 performance budget page 475 of the budget book.

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1 (4) National Authorizing Committee (APU/EU/Cotonou
2 Agreement)
3 \$7,500, for the activity set forth in the performance
4 budget page 482 of the budget book."

5 Section 8. Section 8 of Public Law No. 13-19 is hereby
6 amended to read as follows:

7 "Section 8. Grants, Subsidies and Contributions.

8 The sum of \$1,597,572 or so much thereof as may be
9 necessary, is hereby appropriated from the General
10 Fund of the Federated States of Micronesia for the
11 fiscal year ending September 30, 2004, for the
12 following grants, subsidies and contributions during
13 fiscal year 2004. The sum appropriated by this
14 section shall be apportioned as follows:

15	(1) Department of Foreign Affairs	
16	(a) Forum Secretariat	\$ 17,500
17	(b) The Pacific Community	15,000
18	(c) United Nations Economic and Social	
19	Commission for Asia and the Pacific (ESCAP)	2,500
20	(d) United Nations Membership Fee ..	30,000
21	(e) East-West Center	5,000
22	(2) Department of Finance and Administration	
23	(a) ACP/EU (Cotonou) Membership Fee	4,000
24	(b) World Bank Group (Additional Membership	
25	Fee)	36,286

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1	(3) Department of Economic Affairs	
2	(a) Pacific Islands Development	
3	Program	7,500
4	(b) Forum Fisheries Agency	
5	(FFA)	10,500
6	(c) United Nations Development Program	
7	(UNDP)	\$ 1,500
8	(d) Coordinating Commission for	
9	Offshore Mineral Prospecting (CCOMP)	4,000
10	(e) Intellectual Property Rights	
11	Protection for FSM Biological Diversity ...	10,000
12	(f) Pacific Asian Travel Association	
13	(PATA)	2,500
14	(g) FSM Economic Summit	100,000
15	(h) National Implementing Strategy for	
16	Climate Change	12,500
17	(i) National Plant Protection	
18	Program	30,000
19	(j) Pohnpei and Yap Vulnerability	
20	Adaptation	25,000
21	(k) Privatization of Public Enterprises	
22	and Corporations (Government Reform)	66,560
23	(l) United Nations Environmental	
24	Protection	300
25	(m) Household Income and Expenditure	

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1	Survey	75,762
2	(n) FSM Migration Statistics	
3	System	30,000
4	(o) FSM Giant Clam Culture	5,720
5	(p) FSM Coastal Fisheries	
6	Consortium	\$ 10,500
7	(4) Department of Health, Education	
8	and Social Affairs	
9	(a) United Nations Funds for	
10	Population Activity	1,500
11	(b) South Pacific Regional	
12	Environmental Program (SPREP)	3,688
13	(c) Aid to Non-Public Schools	125,000
14	(d) Financial Assistance for	
15	FSM Students at College of Marshall	
16	Islands (CMI) and Palau Community	
17	College (PCC)	25,000
18	(e) World Health Organization	
19	(WHO) Membership Fee	20,692
20	(f) National Board of Nursing	19,000
21	(g) Pacific Islands Health Officers	
22	Association (PIHOA)	10,000
23	(h) National Close-Up Local	
24	Program	32,000
25	(i) FSM Amateur Sports Association .	17,500

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1	(j) College of Micronesia Board	2,500
2	(k) Association of Territorial	
3	Health Associations	1,000
4	(l) Basic Social Services Project;	
5	provided that the sum appropriated in	
6	this line item shall be deemed to come	
7	from carryover funds from Section	
8	221(b) of Compact I \$	33,148
9	(m) FSM Red Cross	32,000
10	(5) Department of Transportation,	
11	Communication and Infrastructure	
12	(a) Asia Pacific Telecommunity	3,820
13	(b) International Telecommunication	
14	Union	28,820
15	(c) International Civil Aviation	
16	Organization	14,026
17	(d) Micronesian Shipping	
18	Commission	5,000
19	(e) Utilities for FSM Capital	150,000
20	(6) Coconut Development Authority	
21	(a) Copra Subsidy	50,000
22	(b) Asia Pacific Coconut	
23	Community	7,750
24	(7) Other Grants, Subsidies and Contributions	
25	(a) Kosrae Judiciary	

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1	(i) Unrestricted	12,500
2	(ii) Law school scholarships ...	20,000
3	(b) Pohnpei Judiciary	40,500
4	(c) Chuuk Judiciary	40,500
5	(d) Yap Judiciary	
6	(i) Unrestricted \$	25,000
7	(ii) Law School Scholarships ...	10,000
8	(e) Micronesian Legal Services	
9	(MLFC)	75,000
10	(f) COM Treaty Obligations	12,500
11	(g) FSM FEMA/Disaster Matching	100,000
12	(h) State Law Enforcement	76,500
13	(i) Matching funds - security improve-	
14	ments at international ports of entry	100,000"

15 Section 9. Section 9 of Public Law No. 13-19 is hereby
16 amended to read as follows:

17 "Section 9. Capital and Human Resource Development.

18 The sum of \$2,323,898, or so much thereof as may be
19 necessary, is hereby appropriated from the General
20 Fund of the Federated States of Micronesia for the
21 fiscal year ending September 30, 2004, for capital
22 improvement, development programs and projects and
23 human resource development. The sum appropriated
24 under this section shall be apportioned as follows:

25 (1) College of Micronesia-FSM

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1	(a) Operations of the College of Micronesia-FSM,	
2	including planning, construction and maintenance of	
3	college facilities	\$ 1,500,000
4	(b) Student assistance for	
5	tuition and housing to be deemed as deriving	
6	from carryover funds from section 216(a) (3)	
7	of the Compact I	\$ 237,500
8	(c) COM-FSM Chuuk Campus Facility ..	175,000
9	(d) FSM Fisheries and Maritime	
10	Institute	354,196
11	(2) National Staff Upgrading	25,000
12	(3) FSM Visitor Bureau	-0-
13	(4) EMPAT Phase III	23,500
14	(5) 3 rd Convention of FSM Coastal	
15	Fisheries	8,702
16	(6) FSM Development Bank - Business	
17	Development Loan Program	-0-

18 Section 10. Public Law No. 13-19 is hereby amended by adding
19 a new section 13 to read as follows:

20 "Section 13. Reimbursement of local revenue expenses
21 from grant funds. The President, or his designee, may
22 reimburse from funds received pursuant to the Amended
23 Compact or other grants from the Government of the
24 United States in accordance with the terms and
25 conditions thereof, local revenue funds dedicated in the

1 Fiscal Year 2004 Budget Book for specific purposes, but
2 appropriated_and utilized pursuant to this act for
3 different purposes."

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6 Section 11. This act shall become law upon approval by the
7 President of the Federated States of Micronesia or upon its
8 becoming law without such approval.

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December 17, 2003

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/s/ Joseph J. Urusemal

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Joseph J. Urusemal
President
Federated States of
Micronesia

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