

A BILL FOR AN ACT

To amend Public Law No. 14-21, the FY 2006 budget, as amended, in order to provide supplemental funding for the fiscal year ending September 30, 2006, and for other purposes.

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

1 Section 1. The title of Public Law No. 14-21 as amended by
2 Public Law No. 14-50, is hereby further amended to read as
3 follows:

4 “To appropriate the sum of \$~~[34,356,830]~~ 36,279,060 from
5 the General Fund of the Federated States of Micronesia
6 for the fiscal year ending September 30, 2006, for the
7 purpose of funding the operations of all branches of the
8 National Government of the Federated States of
9 Micronesia, its agencies, various programs, grants,
10 subsidies and contributions; to establish a capital and
11 human resource development budget, and for other
12 purposes.”

13 Section 2. Section 1 of Public Law No. 14-21, as amended by
14 Public Law No. 214-50, is hereby further amended to read as
15 follows:

16 “Section 1. Appropriation. There is hereby
17 appropriated from the General Fund of the Federated
18 States of Micronesia the sum of \$~~[34,356,830]~~
19 36,379,060, or so much thereof as may be necessary, for
20 the purpose of funding the operations of all branches of

1 the National Government of the Federated States of
2 Micronesia, its agencies, various programs, grants,
3 subsidies and contributions and capital and human
4 resource development programs of the National Government
5 of the Federated States of Micronesia for the fiscal
6 year ending September 30, 2006. A deadline of December
7 1, 2005 is hereby set for all branches of the National
8 Government to satisfy the requirements of section 103 of
9 the Financial Management Act of 1979. The sum
10 appropriated herein shall be apportioned as follows:"

11 Section 3. Section 2 of Public Law No. 14-21, as amended to
12 read as follows:

13 "Section 2. Operating expenses of the Executive Branch.
14 The sum of \$~~[14,215,701]~~ 15,062,481, or so much thereof
15 as may be necessary, is hereby appropriated from the
16 General Fund of the Federated States of Micronesia for
17 the fiscal year ending September 30, 2006, for the
18 purpose of funding the operations of the Executive
19 Branch of the National Government during the fiscal year
20 2006. The sum appropriated by this section shall be
21 apportioned as follows:

22 (1) Office of the President.

23 [~~\$672,213~~] \$763,213, or so much thereof as may be
24 necessary, for the operations of the Office of the
25 President during the fiscal year 2006. The sum

1 appropriated herein shall be apportioned as follows:

2	Personnel	\$	287,235
3	Travel	\$ [93,678]	<u>154,678</u>
4	Contractual Services	[190,000]	<u>220,000</u>
5	OCE		86,300
6	Fixed Assets		15,000

7 (2) Department of Foreign Affairs.

8 \$ [~~3,200,651~~] 3,424,151, or so much thereof as may
 9 be necessary, for the operations of the Department of
 10 Foreign Affairs during the fiscal year 2006. The sum
 11 appropriated herein shall be apportioned as follows:

12	Personnel	[1,170,385]	<u>1,193,385</u>
13	Travel	[163,070]	<u>175,070</u>
14	Contractual Services	[1,607,406]	<u>1,716,906</u>
15	OCE	[259,790]	<u>291,790</u>
16	Fixed Assets	[0]	<u>47,000</u>

17 (3) Department of Finance and Administration

18 \$2,445,638, or so much thereof as may be
 19 necessary, for the operations of the Department of
 20 Finance and Administration during the fiscal year 2006.
 21 The sum appropriated herein shall be apportioned as
 22 follows:

23	Personnel	\$ [1,286,249]	<u>1,293,529</u>
24	Travel		204,316
25	Contractual Services		622,027

1	OCE	287,679
2	Fixed Assets	45,367

(4) Department of Economic Affairs.

\$~~[1,063,113]~~ 1,123,113, or so much thereof as may be necessary, for the operations of the Department of Economic Affairs during the fiscal year 2006. The sum appropriated herein shall be apportioned as follows:

8	Personnel	\$ 830,535
9	Travel	[95,670] <u>155,670</u>
10	Contractual Services	5,309
11	OCE	121,599
12	Fixed Assets	10,000

(5) Department of Transportation, Communication and Infrastructure.

\$1,366,142, or so much thereof as may be necessary, for the operations of the Department of Transportation, Communications and Infrastructure during the fiscal year 2006. The sum appropriated herein shall be apportioned as follows:

20	Personnel	\$ 579,126
21	Travel	101,968
22	Contractual Services	611,048
23	OCE	70,000
24	Fixed Assets	4,000

(6) Department of Health, Education and Social

1 Affairs.

2 \$ [~~1,905,991~~] 2,090,991, or so much thereof as may
 3 be necessary, for the operations of the Department of
 4 Health, Education and Social Affairs during the fiscal
 5 year 2006. Of the total funds appropriated herein,
 6 \$359,081 shall be deemed to come from funds available
 7 under the amended Compact for the education sector,
 8 \$764,383 from the health sector, \$380,474 from the
 9 supplemental education grant (SEG) and \$67,901 from the
 10 Compact I Section 221(b) Special Block Grant. The sum
 11 appropriated herein shall be apportioned as follows:

12	Personnel	\$	935,875
13	Travel	[439,667]	<u>514,667</u>
14	Contractual Services	[269,288]	<u>359,288</u>
15	OCE	[254,461]	<u>274,461</u>
16	Fixed Assets		6,700

17 (7) Department of Justice.

18 \$ [~~2,664,435~~] 2,914,435, or so much thereof as may
 19 be necessary, for the operations of the Department of
 20 Justice during the fiscal year 2006. The sum
 21 appropriated herein shall be apportioned as follows:

22	Personnel	\$	1,837,660
23	Travel	[117,190]	<u>267,190</u>
24	Contractual Services		239,900
25	OCE	[448,185]	<u>648,185</u>

1	Fixed Assets	21,500
2	(8) <u>Office of the Public Defender.</u>	
3	\$667,177, or so much thereof as may be necessary,	
4	for the operations of the Office of the Public Defender	
5	during the fiscal year 2006. The sum appropriated	
6	herein shall be apportioned as follows:	
7	Personnel	\$ 456,941
8	Travel	130,000
9	Contractual Services	39,486
10	OCE	37,700
11	Fixed Assets	3,050
12	(9) <u>Office of Compact Management.</u>	
13	\$ [230,341] <u>260,341</u> , or so much thereof as may be	
14	necessary, for the operations of the Office of Compact	
15	Management during the fiscal year 2006. The sum	
16	appropriated herein shall be apportioned as follows:	
17	Personnel	\$ 85,841
18	Travel	[60,000] <u>90,000</u>
19	Contractual Services	57,200
20	OCE	23,100
21	Fixed Assets	4,200"

22 Section 4. Section 6 of Public Law No. 14-21 is amended by
 23 Public Law No. 14-50, is hereby further amended to read as
 24 follows:

25 "Section 6. Operating Expenses of agencies of the

1 National Government. The sum of \$~~[1,475,130]~~ 1,725,130,
 2 or so much thereof as may be necessary, is hereby
 3 appropriated from the General Fund of the Federated
 4 States of Micronesia for the fiscal year ending
 5 September 30, 2006, for the operations of the following
 6 boards, commissions and agencies during the fiscal year
 7 2006. The sum appropriated by this section shall be
 8 apportioned as follows:

9 (1) National Oceanic Resource Management Authority
 10 (NORMA).

11 \$379,806, or so much thereof as may be necessary,
 12 for the operations of NORMA during the fiscal year 2006.
 13 The sum appropriated herein shall be apportioned as
 14 follows:

15	Personnel	\$	192,506
16	Travel		50,000
17	Contractual Services		98,900
18	OCE		38,400
19	Fixed Assets		-0-

20 (2) Board of Regents (COM-FSM).

21 \$76,014, or so much thereof as may be necessary,
 22 for the operations of the Board of Regents, COM-FSM
 23 during the fiscal year 2006. The sum appropriated
 24 herein shall be apportioned as follows:

25	Personnel	\$	-0-
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1	Travel	40,914
2	Contractual Services	10,800
3	OCE	24,300
4	Fixed Assets	-0-

(3) Coconut Development Authority (CDA).

\$125,600, or so much thereof as may be necessary, for the operations of the Coconut Development Authority during the fiscal year 2006. The sum appropriated herein shall be apportioned as follows:

10	Personnel	\$ 68,471
11	Travel	10,469
12	Contractual Services	22,160
13	OCE	9,500
14	Fixed Assets	15,000

(4) FSM Banking Board.

\$132,357, or so much thereof as may be necessary, for the operations of the FSM Banking Board during the fiscal year 2006. The sum appropriated herein shall be apportioned as follows:

20	Personnel	\$ 71,555
21	Travel	20,106
22	Contractual Services	15,700
23	OCE	21,996
24	Fixed Assets	3,000

(5) FSM Postal Services.

1 \$626,353, or so much thereof as may be necessary,
 2 for the operations of the National Postal Services
 3 during the fiscal year 2006. The sum appropriated
 4 herein shall be apportioned as follows:

5	Personnel	402,488
6	Travel	\$ 40,692
7	Contractual Services	98,273
8	OCE	84,900
9	Fixed Assets	-0-

10 (6) National Fisheries Corporation (NFC).

11 \$~~[135,000]~~ 3,531,216, or so much thereof as may be
 12 necessary, for the operations of the National Fisheries
 13 Corporation during the fiscal year 2006. The sum
 14 appropriated herein shall be apportioned as follows:

15	NFC operations subsidy	\$ [45,000] <u>145,000</u>
16	Air freight subsidy	[90,000] <u>240,000</u> "

17 Section 5. Section 8 of Public Law No. 4-21, as amended by
 18 Public Law No. 14-50, is hereby further amended to read as
 19 follows:

20 "Section 8. Grants, Subsidies and Contributions. The
 21 sum of ~~[2,805,766]~~ 3,531,216, or so much thereof as may
 22 be necessary, is hereby appropriated from the General
 23 Fund of the Federated States of Micronesia for the
 24 fiscal year ending September 30, 2006, for the following
 25 grants, subsidies and contributions during fiscal year

1	2006. The sum appropriated by this section shall be	
2	apportioned as follows:	
3	(1) <u>Department of Foreign Affairs</u>	
4	(a) Pacific Islands Forum Secretariat	\$ 40,
5	(b) Secretariat for the Pacific	
6	Community (SPC)	17,000
7	(c) UN and Specialized Agencies (UN)\$	60,000
8	(c) UN Economic and Social Commission	
9	for Asia and the Pacific (ESCAP)	5,000
10	(e) East-West Center	5,000
11	(2) <u>Department of Finance and Administration</u>	
12	(a) National Authorizing Committee	
13	(ACP/EU)	8,000
14	(3) <u>Department of Economic Affairs</u>	
15	(a) Pacific Islands Development Program	15,000
16	(b) Forum Fisheries Agency (FFA)	21,000
17	(c) UN Development Program	3,000
18	(d) Coordinating Committee for	
19	Offshore Minerals Prospecting (SOPAC)	40,000
20	(e) Pacific Asia Travel Association .	5,000
21	(f) UN Environmental Program (UNEP) .	600
22	(g) Western Forestry	
23	Leadership Coalition	500
24	(h) Seaframe Program	7,500
25	(i) Food Agriculture Organization (FAO)	4,700

1	(j) FA/TCP Matching	28,800
2	(k) National Environmental	
3	Speech Contest	15,000
4	(l) 3 rd Convention (Fisheries Consortium)	13,558
5	(4) <u>Department of Health, Education and Social Affairs</u>	
6	(a) UN Fund for Population	
7	Activity (UNFPA)\$	3,000
8	(b) South Pacific Regional	
9	Environmental Program (SPREP)	7,375
10	(c) Aid to Non-Public Schools	300,000
11	(d) Financial Assistance to FSM	
12	Students attending College of Marshalls and	
13	Palau Community College	50,000
14	(e) World Health Organization (WHO) .	41,385
15	(f) National Board of Nursing	20,000
16	(g) Pacific Islands Health	
17	Officers Association	20,000
18	(h) National Close-Up Local Program .	64,000
19	(i) FSM Amateur Sports Association ..	20,000
20	(j) College of Micronesia Board (COM)	5,000
21	(k) Association of Territorial	
22	Health Organization	2,000
23	(l) FSM Red Cross	64,000
24	(m) UNESCO	4,000
25	(5) <u>Department of Transportation,</u>	

1	<u>Communications and Infrastructure</u>	
2	(a) Asia-Pacific Telecommunity (APT)	7,640
3	(b) International Telecommunications	
4	Union (ITU)	55,000
5	(c) International Civil Aviation	
6	Organization	\$ 28,050
7	(d) Micronesian Shipping Commission .	10,000
8	(e) FSM Capital Energy/Utilities	300,000
9	(6) <u>Coconut Development Authority (CDA)</u>	
10	(a) Copra Subsidy	75,000
11	(b) Asia Pacific Coconut Community (APCC)	15,500
12	(7) <u>Office of the National Election Director</u>	268,700
13	[(7)] [(8)] <u>Other Grants, Subsidies and Contributions</u>	
14	(a) Kosrae Judiciary subsidy	37,500
15	(b) Pohnpei Judiciary subsidy	40,500
16	(c) Chuuk Judiciary subsidy	40,500
17	(d) Yap Judiciary subsidy, PROVIDED that, of	
18	this amount, \$15,000 shall be used to provide financial	
19	assistance to Yap students enrolled in law school unless	
20	there are no Yap students so enrolled during the fiscal	
21	year	35,000
22	(e) COM Treaty Obligations	25,000
23	(f) Micronesian Legal Services	
24	Corporation	150,000
25	(g) States Joint Law Enforcement	

[15]

1	(h) School Textbook Purchase, PROVIDED THAT funds	
2	appropriated herein shall be deemed to come from funds	
3	available under the amended Compact for Supplemental	
4	Education Grant (SEG)	619,658
5	(i) Tuna Commission Membership	16,000
6	(j) Disaster Assistance Emergency	
7	Fund (DAEF) Matching	\$ 200,000
8	(k) State Court Congestion Relief ...	60,000
9	(l) Pohnpei, Election District No. 1	
10	Dolakapw road paving	50,000
11	(m) Postal Service Money Order	
12	(n) Escrow amount	200.000
13	(n) Caroline Island Air	131,950"

14 Section 6. Section 9 of Public Law No. 14-21, as amended by
 15 Public Law No. 14-42, is hereby further amended to read as
 16 follows:

17 "Section 9. Capital and Human Resource Development.
 18 The sum of \$~~[10,408,482]~~ 10,608,482, or so much thereof
 19 as may be necessary, is hereby appropriated from the
 20 General Fund of the Federated States of Micronesia for
 21 the fiscal year ending September 30, 2006, for the
 22 following capital improvements, development programs and
 23 projects and human resource development. The sum
 24 appropriated by this section shall be apportioned as
 25 follows:

1 (1) College of Micronesia-FSM.

2 \$~~[6,909,240]~~ 7,109,240, or so much thereof as may
3 be necessary, for the operations, programs and projects
4 of the College during fiscal year 2006. The sum
5 appropriated herein shall be apportioned as follows:

6 (a) COM-FSM operations, PROVIDED THAT all funds
7 appropriated herein shall be deemed to come from funds
8 available under the amended Compact for the
9 education sector\$ 3,800,000

10 (b) Students scholarship, PROVIDED THAT \$300,000
11 appropriated herein shall be deemed to come from funds
12 available under the amended Compact for Supplemental
13 Education Grant (SEG) and \$267,046 appropriated herein
14 shall be deemed to come from funds available under the
15 amended Compact for the FY05 carryover Supplemental
16 Education Grant (SEG) 567,046

17 (c) Fisheries and Maritime Institute 600,000

18 (d) SEOG and Work Study Programs,
19 PROVIDED THAT [~~all funds~~] \$270,268 appropriated herein
20 shall be deemed to come from funds available
21 under the amended Compact for Supplemental
22 Education Grant (SEG) [~~270,268~~] 470,268

23 (e) COM-FSM State Campus Facility Improvement,
24 PROVIDED THAT the sum appropriated herein shall be
25 deemed to come from funds available under the amended

1 Compact for Infrastructure Development sector \$ 1,5

2 (f) Capacity building and professional

3 development for pre-service teachers in the FSM,

4 PROVIDED THAT all funds appropriated herein shall be

5 deemed to come from funds available under the amended

6 Compact for the FY05 carryover Supplemental Education

7 Grant (SEG)171,926

8 (2) Department of Foreign Affairs

9 (a) FSM Washington Embassy Renovation \$ -0-

10 (3) Department of Finance and Administration

11 (a) National Staff Upgrading 50,000

12 (4) Department of Economic Affairs

13 (a) FSM Visitor Bureau 100,000

14 (5) Department of Transportation, Communication and

15 Infrastructure

16 (a) TA Airport Pavement, PROVIDED THAT all funds

17 appropriated herein shall be deemed to come from funds

18 available under the amended Compact for Infrastructure

19 Development sector and PROVIDED THAT no funds shall be

20 allotted until such time as the Department of Justice

21 completes an investigation into the findings of the

22 Office of the National Public Auditor in its report

23 entitled 'Ta Outer Island Airport Audit Fiscal Years

24 1990-2004 Audit No. 2005-01' and reports to the Speaker

25 of Congress on the outcome of that investigation,

1	and PROVIDED THAT the appropriation shall	
2	not lapse	505,787
3	(6) <u>Department of Justice</u>	
4	(a) FSM Patrol Boat Slipping	200,000
5	(7) <u>Office of the Public Defender</u>	
6	(a) Kosrae PD Office renovation	20,000
7	(b) Pohnpei PD Office retaining wall	4,000
8	(8) <u>FSM Postal Services</u>	
9	(a) Yap Post Office renovation	\$ 50,000
10	(b) Chuuk Post Office renovation	50,000
11	(9) <u>Infrastructure Maintenance Fund (IMF)</u>	
12	(a) IMF, PROVIDED THAT \$105,568 of the funds	
13	appropriated herein shall be deemed to come from funds	
14	available under the amended Compact for Infrastructure	
15	Maintenance Fund sector grant	211,136
16	(10) <u>Department of Health, Education and Social Affairs</u>	
17	(a) Monitoring, coordination, teaching assistance	
18	and research, PROVIDED THAT all of the funds	
19	appropriated herein shall come from funds available	
20	under the amended Compact for FY05 carryover of the	
21	Supplemental Education Grant (SEG)	377
22	(11) <u>President's Office</u>	
23	(a) FEMA matching funds and public assistance	
24	specialist	213
25	(b) Payment to the Asian Development Bank for the	

1	Fisheries Development Project Loan authorized by Public	
2	Law No. 7-101	90,000
3	(c) FSM Trust Fund, PROVIDED THAT the amount	
4	appropriated is not greater than 50% of the amount of	
5	local revenues to be carried over to FY07 before	
6	deducting the amount of this appropriation, in that case	
7	the amount shall be equal to 50% of the amount of local	
8	revenues to be carried over to FY07 not including the	
9	amount of this appropriation	\$ 250,000
10	(d) Preparation and submission of the	
11	Annual Report and Single Audit as required by the	
12	amended Compact, including contracting the	
13	services of a CPA from a reputable	
14	accounting firm	150,000
15	(12) <u>Capacity Building</u>	
16	The total sum of the following appropriation	
17	shall be deemed to come from funds available	
18	under the Amended Compact for Capacity	
19	Building Sector Carryover Grants from Fiscal	
20	Year 2004.	
21	(a) Valuation of Fixed Assets	75,000
22	(b) Accounting Advisor (Component Units)	80,000
23	(c) Accounting/Procurement Advisor ..	80,000
24	(d) Budget Preparation and Execution	
25	Advisor	80,000

1	(e) Sector Performance Reporting	100,000
2	(f) Accounting/Procurement Advisor (Yap)	80,000
3	(g) Monitoring Economic Progress	200,000
4	(h) Chuuk Control Commission	112,000
5	(i) Document Imaging/Workflow	
6	Control Software	80,000
7	(j) Internal Controls Evaluation	75,000
8	(k) Accounting Advisor (Finance and Tax)	80,000
9	(l) Specialized Training Programs . . .	185,934"

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

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15 Date: 2/29/06

Introduced by: /s/ Simiram Sipenuk
 Simiram Sipenuk
 (by request)

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