

AN ACT

To enact the FY 2007 budget in order to provide funding for the fiscal year ending September 30, 2007, and for other purposes.

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

1 Section 1. Shall read as follows: To appropriate the sum
2 of \$34,058,819 from the General Fund of the Federated States of
3 Micronesia for the fiscal year ending September 30, 2007, for the
4 purpose of funding the operations of all branches of the National
5 Government of the Federated States of Micronesia, its agencies,
6 various programs, grants, subsidies and contributions; and for
7 other purposes. The sum appropriated herein shall be apportioned
8 as follows:

9 Section 2. Operating expenses of the Executive Branch. The
10 sum of \$16,098,743 or so much thereof as may be necessary, is
11 hereby appropriated from the General Fund of the Federated States
12 of Micronesia for the fiscal year ending September 30, 2007, for
13 the purpose of funding the operations of the Executive Branch of
14 the National Government during the fiscal year 2007. The sum
15 appropriated by this section shall be apportioned as follows:

16 (1) Office of the President.
17 \$672,341, or so much thereof as may be necessary, for
18 the operations of the Office of the President during
19 the fiscal year 2007. The sum appropriated herein
20 shall be apportioned as follows:

1	Personnel	\$ 287,341
2	Travel	150,000
3	Contractual Services	140,000
4	OCE	70,000
5	Fixed Assets	25,000

(2) Department of Foreign Affairs.

7 \$3,609,394, or so much thereof as may be necessary, for
 8 the operations of the Department of Foreign Affairs
 9 during the fiscal year 2007. The sum appropriated
 10 herein shall be apportioned as follows:

11	Personnel	\$1,222,951
12	Travel	189,686
13	Contractual Services	1,813,723
14	OCE	324,034
15	Fixed Assets	59,000

(3) Department of Finance and Administration

17 \$2,495,111, or so much thereof as may be necessary, for
 18 the operations of the Department of Finance and
 19 Administration during the fiscal year 2007. The sum
 20 appropriated herein shall be apportioned as follows:

21	Personnel	\$ 1,269,489
22	Travel	213,600
23	Contractual Services	652,088
24	OCE	318,734
25	Fixed Assets	41,200

1 (4) Department of Economic Affairs.
 2 \$1,211,350, or so much thereof as may be necessary,
 3 for the operations of the Department of Economic
 4 Affairs during the fiscal year 2007. The sum
 5 appropriated herein shall be apportioned as follows:
 6 Personnel \$ 806,075
 7 Travel 135,000
 8 Contractual Services 110,275
 9 OCE 138,000
 10 Fixed Assets 22,000

11 (5) Department of Transportation, Communication and
 12 Infrastructure.
 13 \$1,485,990, or so much thereof as may be necessary, for
 14 the operations of the Department of Transportation,
 15 Communications and Infrastructure during the fiscal year
 16 2007. The sum appropriated herein shall be apportioned
 17 as follows:

18 Personnel \$ 579,942
 19 Travel 103,000
 20 Contractual Services 725,048
 21 OCE 70,000
 22 Fixed Assets 8,000

23 (6) Department of Health, Education and Social
 24 Affairs.
 25 \$2,744,958, or so much thereof as may be necessary, for

1 the operations of the Department of Health, Education
 2 and Social Affairs during the fiscal year 2007. Of the
 3 total funds appropriated herein, \$359,081 shall be
 4 deemed to come from funds available under the amended
 5 Compact for the education sector, \$767,164 from the
 6 health sector, and \$1,287,687 from the supplemental
 7 education grant (SEG). The sum appropriated herein
 8 shall be apportioned as follows:

9	Personnel	\$ 803,480
10	Travel	293,484
11	Contractual Services	186,387
12	OCE	169,220
13	Fixed Assets	4,700

14 (7) Department of Justice.
 15 \$2,998,742, or so much thereof as may be necessary, for
 16 the operations of the Department of Justice during the
 17 fiscal year 2007. The sum appropriated herein shall be
 18 apportioned as follows:

19	Personnel	\$ 1,896,259
20	Travel	113,824
21	Contractual Services	165,700
22	OCE	768,959
23	Fixed Assets	54,000

24 (8) Office of the Public Defender.
 25 \$635,291, or so much thereof as may be necessary, for

1 the operations of the Office of the Public Defender
 2 during the fiscal year 2007. The sum appropriated
 3 herein shall be apportioned as follows:

4	Personnel	\$ 458,244
5	Travel	69,503
6	Contractual Services	52,044
7	OCE	43,400
8	Fixed Assets	12,100

9 (9) Office of Compact Management.

10 \$245,566, or so much thereof as may be necessary, for
 11 the operations of the Office of Compact Management
 12 during the fiscal year 2007. The sum appropriated
 13 herein shall be apportioned as follows:

14	Personnel	\$ 106,766
15	Travel	70,000
16	Contractual Services	16,800
17	OCE	34,000
18	Fixed Assets	18,000

19 Section 3. Operating expenses of the Legislative Branch. The
 20 sum of \$3,256,164, or so much thereof as may be necessary, is
 21 hereby appropriated from the General Fund of the Federated States
 22 of Micronesia for the fiscal year ending September 30, 2007, for
 23 the operations of the Legislative Branch of the National
 24 Government during fiscal year 2007. The sum appropriated by this
 25 section shall be apportioned as follows:

1 (1) Speaker and Members.

2 \$1,522,771, or so much thereof as may be necessary, for
 3 the operations of the Office of the Speaker and Members
 4 of the Congress of the Federated States of Micronesia
 5 during fiscal year 2007. The sum appropriated herein
 6 shall be apportioned as follows:

7	Personnel	\$ 415,290
8	Travel	479,881
9	Contractual Services	577,600
10	OCE	50,000
11	Fixed Assets	31,220

12 (2) Staff Offices.

13 \$1,243,393, or so much thereof as may be necessary, for
 14 the operations of the Congress staff offices during
 15 fiscal year 2007. The sum appropriated herein shall be
 16 apportioned as follows:

17	Personnel	\$ 776,962
18	Travel	109,371
19	Contractual Services	178,500
20	OCE	137,400
21	Fixed Assets	31,220

22 (3) Congress Delegation Offices.

23 \$490,000, or so much thereof as may be necessary, for
 24 the operations of the Congress delegation offices
 25 during fiscal year 2007. The sum appropriated herein

1 shall be apportioned as follows:

2	(i) Kosrae Delegation Office	\$ 70,000
3	(ii) Pohnpei Delegation Office	140,000
4	(iii) Chuuk Delegation Office	210,000
5	(iv) Yap Delegation Office	70,000

6 Section 4. Operating Expenses of the National Judiciary
 7 Branch. The sum of \$1,209,893, or so much thereof as
 8 may be necessary, is hereby appropriated from the
 9 General Fund of the Federated States of Micronesia for
 10 the fiscal year ending September 30, 2007, for the
 11 operations of the Judiciary Branch of the National
 12 Government during fiscal year 2007. The sum
 13 appropriated by this section shall be apportioned as
 14 follows:

15	Personnel	\$ 709,735
16	Travel	168,963
17	Contractual Services	126,900
18	OCE	176,806
19	Fixed Assets	27,489

20 Section 5. Operating Expenses of the Public Auditorâ•™s
 21 Office. The sum of \$844,219, 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, 2007, for the
 25 operations of the National Office of the Public Auditor

1 for fiscal year 2007. The sum appropriated by this
 2 section shall be apportioned as follows:

3	Personnel	\$ 377,619
4	Travel	150,000
5	Contractual Services	214,000
6	OCE	62,000
7	Fixed Assets	40,600

8 National Government. The sum of \$1,542,418, or so much
 9 thereof as may be necessary, is hereby appropriated
 10 from the General Fund of the Federated States of
 11 Micronesia for the fiscal year ending September 30,
 12 2007, for the operations of the following boards,
 13 commissions and agencies during the fiscal year
 14 2007. The sum appropriated by this section shall be
 15 apportioned as follows:

16 (1) National Oceanic Resource Management Authority
 17 (NORMA).

18 \$377,606, or so much thereof as may be necessary, for
 19 the operations of NORMA during the fiscal year
 20 2007. The sum appropriated herein shall be apportioned
 21 as follows:

22	Personnel	\$ 192,506
23	Travel	75,000
24	Contractual Services	71,700
25	OCE	38,400

1 (2) Board of Regents (COM-FSM).
 2 \$58,000, or so much thereof as may be necessary, for
 3 the operations of the Board of Regents, COM-FSM during
 4 the fiscal year 2007. The sum appropriated herein shall
 5 be apportioned as follows:

6	Personnel	\$ -0-
7	Travel	41,000
8	Contractual Services	10,000
9	OCE	7,000
10	Fixed Assets	-0-

11 (3)Coconut Development Authority (CDA).
 12 \$93,721, or so much thereof as may be necessary, for
 13 the operations of the Coconut Development Authority
 14 during the fiscal year 2007. The sum appropriated
 15 herein shall be apportioned as follows:

16	Personnel	\$ 67,721
17	Travel	10,000
18	Contractual Services	6,000
19	OCE	10,000
20	Fixed Assets	-0-

21 (4) FSM Banking Board.
 22 \$152,650, or so much thereof as may be necessary, for
 23 the operations of the FSM Banking Board during the
 24 fiscal year 2007. The sum appropriated herein shall be
 25 apportioned as follows:

1	Personnel	\$ 71,554
2	Travel	30,200
3	Contractual Services	18,100
4	OCE	17,996
5	Fixed Assets	14,800

(5) FSM Postal Services.

7 \$660,441, or so much thereof as may be necessary, for
 8 the operations of the National Postal Services during
 9 the fiscal year 2007. The sum appropriated herein shall
 10 be apportioned as follows:

11	Personnel	\$ 409,041
12	Travel	41,000
13	Contractual Services	125,000
14	OCE	85,400
15	Fixed Assets	-0-

(6) National Fisheries Corporation (NFC).

17 \$200,000, or so much thereof as may be necessary, for
 18 the operations of the National Fisheries Corporation
 19 during the fiscal year 2007. The sum appropriated
 20 herein shall be apportioned as follows:

21	NFC operations subsidy	\$ 100,000
22	Air freight subsidy	100,000"

23 Section 7. Special Programs. The sum of \$353,582 or so
 24 much thereof as may be necessary, is hereby appropriated from the
 25 General Fund of the Federated States of Micronesia for the fiscal

1 year ending September 30, 2007, for the following special
 2 programs during fiscal year 2007. The sum appropriated by this
 3 section shall be apportioned as follows:

4 (1) FSM Aquaculture Center

5	Personnel	\$ 38,617
6	Travel	8,802
7	Contractual Services	9,474
8	OCE	22,389
9	Fixed Assets	-0-

10 2. National Election Commissioner

11	Personnel	\$ 180,080
12	Travel	5,220
13	Contractual Services	21,000
14	OCE	48,000
15	Fixed Assets	-0-

16 3. National Authorizing Committee

17 \$10,000, or as much thereof as may be necessary, for
 18 the operations of the National Authorizing
 19 Committee (ACP/EU) during fiscal year 2007. All funds
 20 appropriated herein shall be expended for travel.

21 4. Sustainable Development Council

22 \$10,000, or as much thereof as may be necessary, for
 23 the operations of the Sustainable Development Council
 24 during fiscal year 2007. All funds appropriated herein
 25 shall be expended for travel.

1 Section 8. Grants, Subsidies and Contributions. The sum of
 2 \$2,192,300, or so much thereof as may be necessary, is hereby
 3 appropriated from the General Fund of the Federated States of
 4 Micronesia for the fiscal year ending September 30, 2007, for the
 5 following grants, subsidies and contributions during fiscal year
 6 2007. The sum appropriated by this section shall be apportioned
 7 as follows:

8	(1) Department of Foreign Affairs	
9	(a) Pacific Islands Forum Secretariat	\$ 46,000
10	(b) Secretariat for the Pacific	
11	Community (SPC)	56,000
12	(c) UN and Specialized Agencies (UN)	60,000
13	(d) UN Economic and Social Commission	
14	for Asia and the Pacific (ESCAP)	5,000
15	(e) East-West Center	5,000
16	(f) United Nations Development Program	
17	(UNDP)	23,500
18	2. Department of Finance and Administration	
19	(a) National Authorizing Committee	
20	(ACP/EU)	\$ 10,000
21	(b) OCO Membership Fee	2,000
22	3. Department of Economic Affairs	
23	(a) Pacific Islands Development Program	15,000
24	(b) Forum Fisheries Agency (FFA)	21,000
25	(c) UN Development Program	3,000

1	(d) Coordinating Committee for Offshore	
2	Minerals Prospecting (SOPAC)	40,000
3	(e) Pacific Asia Travel Association .	5,000
4	(f) UN Environmental Program (UNEP) .	600
5	(g) Western Forestry Leadership	
6	Coalition	500
7	(h) Seaframe Program	3,000
8	(i) Food Agriculture Organization (FAO)	4,700
9	(j) UN Framework Convention	250
10	(k) National Association of State	
11	Foresters	500
12	(l) National Environmental	
13	Speech Contest	15,000
14	(m) FA/TCP Matching	34,500
15	(n) Matching for SPC Projects	60,000
16	(4) Department of Health, Education and Social	
17	Affairs	
18	(a) UN Fund for Population Activity (UNFPA)\$	3,000
19	(b) South Pacific Regional Environmental	
20	Program (SPREP)	7,375
21	(c) Aid to Non-Public Schools	300,000
22	(d) Financial Assistance to FSM	
23	Students attending College of Marshalls and	
24	Palau Community College	50,000
25	(e) World Health Organization (WHO) .	41,385

1	(f) National Board of Nursing	10,000
2	(g) Pacific Islands Health	
3	Officers Association	20,000
4	(h) National Close-Up Local Program .	64,000
5	(i) FSM Amateur Sports Association ..	20,000
6	(j) College of Micronesia Board (COM)	5,000
7	(k) Association of Territorial	
8	Health Organization	2,000
9	(l) FSM Red Cross	70,000
10	(m) UNESCO	4,000
11	(5) Department of Transportation,	
12	Communications and Infrastructure	
13	(a) Asia-Pacific Telecommunity (APT)	\$ 7,640
14	(b) International Telecommunications	
15	Union (ITU)	55,000
16	(c) International Civil Aviation	
17	Organization	28,050
18	(d) Micronesian Shipping Commission .	10,000
19	(e) FSM Capital Energy/Utilities	300,000
20	(6) Coconut Development Authority (CDA)	
21	(a) Copra Subsidy	\$ 75,000
22	(b) Asia Pacific Coconut Community (APCC)	15,500
23	(c) Pilot Plant Project	49,300
24	(7) Other Grants, Subsidies and Contributions	
25	(a) Kosrae Judiciary subsidy	\$ 10,000

1	(b) Pohnpei Judiciary subsidy	20,000
2	(c) Chuuk Judiciary subsidy	20,000
3	(d) Yap Judiciary subsidy	10,000
4	(e) COM Treaty Obligations	25,000
5	(f) Micronesian Legal Services	
6	Corporation	150,000
7	(g) States Joint Law Enforcement	150,000
8	(h) Tuna Commission Membership	16,000
9	(i) Disaster Assistance Emergency	
10	Fund (DAEF) Matching	200,000
11	(k) Maritime Boundary Delimitation ..	43,500

12 Section 9. Capital and Human Resource Development. The sum
 13 of \$ 8,561,500, or so much thereof as may be necessary, is
 14 hereby appropriated from the General Fund of the Federated
 15 States of Micronesia for the fiscal year ending September 30,
 16 2007, for the following capital improvements, development
 17 programs and projects and human resource development. The sum
 18 appropriated by this section shall be apportioned as follows:

19 (1) College of Micronesia-FSM.
 20 \$5,950,000, or so much thereof as may be necessary,
 21 for the operations, programs and projects of the College during
 22 fiscal year 2007. The sum appropriated herein shall be
 23 apportioned as follows:

24 (a) COM-FSM operations, PROVIDED THAT all funds
 25 appropriated herein shall be deemed to come from funds

1 available under the amended Compact for the
 2 Education Sector \$ 3,800,000
 3 b. Fisheries and Maritime Institute
 4 PROVIDED that \$616,231 of the amount appropriated herein
 5 shall be deemed to come from funds available under the
 6 amended Compact for the Education Sector ... 650,000
 7 (c) COM-FSM State Campus Facility Improvement,
 8 PROVIDED THAT the sum appropriated herein shall be
 9 deemed to come from funds available under the
 10 amended Compact for Infrastructure Development
 11 Sector \$ 1,500,000
 12 (2) Department of Finance and Administration
 13 (a) National Staff Upgrading 75,000
 14 (b) Asian Development Bank MLFC Loan 200,000
 15 (3) Department of Economic Affairs
 16 (3) Department of Economic Affairs
 17 (a) FSM Tourism Promotion 100,000
 18 (b) FSM Trade and FDI Project 75,000
 19 (c) Diversification of Energy 125,000
 20 (d) Crop Production Improvement 15,000
 21 (4) Department of Transportation, Communication and
 22 Infrastructure
 23 (a) Dry Docking of MS Voyager PROVIDED
 24 THAT \$756,592
 25 of the amount appropriated herein shall come from funds

1	available under the amended Compact for Infrastructure	
2	Development Sector	880,000
3	(b) Tuna Commission Headquarters	
4	Supplement	44,000
5	(5) Department of Justice	
6	(a) FSM Patrol Boat Slipping	250,000
7	(b) Construction of 2 fuel tanks	60,000
8	(6) FSM Postal Services	
9	(a) Pohnpei Post Office renovation ..	50,000
10	(7) Infrastructure Maintenance Fund (IMF)	
11	(a) IMF PROVIDED THAT \$187,750 of the funds	
12	appropriated herein shall be deemed to come from funds	
13	available under the amended Compact for Infrastructure	
14	Development Sector	\$ 237,500
15	(8) FSM Development Bank	
16	(a) Escrow Account USDA Housing Program	500,000"

17 Section 10. Employment Ceilings. The maximum number of
 18 positions for each branch and agency of the National Government
 19 of the Federated States of Micronesia for fiscal year 2007 shall
 20 be as follows:

- 21 (1) Executive Branch 508
- 22 (2) Legislative Branch 58
- 23 (3) Judiciary Branch 31
- 24 (4) Public Auditor's Office 18
- 25 (5) Agencies

1 (a) National Oceanic Resource Management

2 Authority 11

3 (b) Coconut Development Authority 4

4 (c) FSM Postal Services 38

5 (d) FSM Banking Board 4

6 (6) Special Programs

7 (a) FSM Aquaculture Center 4

8 (b) Office of the National Director 11

9 Section 11. Reprogramming. Reprogramming of funds into or
10 from the personnel budget line items shall not be permitted. The
11 President may reprogram up to 10% to or from, whichever is less,
12 from the funds appropriated to each department and office in
13 section 2 (Operating expenses of the Executive Branch).
14 Reprogramming of funds within a department or agency shall be
15 effected by the head of such department by specifying in writing
16 to the Secretary of Finance and Administration, FSM National
17 Government, the accounts for which funding is either increased or
18 decreased.

19 Section 12. Allotment and management of funds and lapse
20 date.

21 (1) General Provisions.

22 (a) All funds appropriated by this act shall be
23 allotted, managed, administered and accounted for in
24 accordance with applicable law, including, but not
25 limited to, the Financial Management Act of 1979 and

1 the amended Compact of Free Association between the
2 United States Government and the Government of the
3 Federated States of Micronesia and its related
4 agreements.

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

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

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

15 (b) Section 3 - the allottee of these funds
16 shall be the Speaker of the Congress of the Federated
17 States of Micronesia;

18 (c) Section 4 - the allottee of these funds
19 shall be the Chief Justice of the Supreme Court of the
20 Federated States of Micronesia;

21 (d) Section 5 - the allottee of these funds
22 shall be the Public Auditor of the Federated States of
23 Micronesia;

24 (e) Sections 6 through 9 - the allottee of
25 these funds shall be the President of the Federated

1 States of
2 Micronesia, EXCEPT THAT for the following subsections
3 of
4 sections 8 through 9 of this act:

5 (i) section 8 subsection (7)(a) through
6 (d) - the allottee of these funds shall be the Chief
7 Justice of the respective state, and

8 (ii) section 9(1)(a) through (c) - the
9 allottee of these funds shall be the President of the
10 College of Micronesia-FSM.

11 (3) Lapse Date. The authority of the allottee to
12 obligate funds appropriated by this act shall lapse as
13 of September 30, 2008, EXCEPT the funds appropriated
14 under section 9 of this act shall not lapse.

15 Section 13. This act shall become law upon approval by the
16 President of the Federated States of Micronesia or upon its
17 becoming law without such approval.

18

19 Dated 5/9/06

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

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