

A BILL FOR AN ACT

To amend Public Law No. 14-80, by amending the title and sections 1, 2, 5, 8 and 9 thereof, in order to provide additional 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. The title of Public Law No. 14-80 is hereby
2 amended to read as follows:

3 "To appropriate the sum of [~~\$21,876,944~~] [~~\$22,924,264~~]
4 23,264,914 from the General Fund of the Federated States
5 of Micronesia for the fiscal year ending September 30,
6 2007 for the purpose of funding the operations of all
7 branches of the National Government of the Federated
8 States of Micronesia, its agencies, various programs,
9 grants, subsidies and contributions and to establish a
10 capital and human resource development budget for the
11 first two quarters of the fiscal year 2007, and for
12 other purposes."

13 Section 2. Section 1 of Public Law No. 14-80 is hereby
14 amended to read as follows:

15 "Section 1. An annual budget in the amount of
16 \$32,730,005 for the fiscal year ending September 30,
17 2007 is hereby approved. There is hereby appropriated
18 from the General Fund of the Federated States of
19 Micronesia for the fiscal year ending September 30, 2007
20 the sum of [~~\$21,876,952~~] [~~\$22,924,264~~] 23,264,914 for

1 the purpose of funding the operations of all branches of
2 the National Government of the Federated States of
3 Micronesia, its agencies, various programs, grants,
4 subsidies and contributions; and capital and human
5 resource development for the first two quarters of the
6 fiscal year ending September 30, 2007. The sum
7 appropriated herein shall be apportioned as follows:"

8 Section 3. Section 2 of Public Law No. 14-80 is hereby
9 amended to read as follows:

10 "Section 2. Operating expenses of the Executive Branch.
11 The sum of \$7,870,167 or so much thereof as may be
12 necessary, is hereby appropriated from the General Fund
13 of the Federated States of Micronesia for the fiscal
14 year ending September 30, 2007, for the purpose of
15 funding the operations of the Executive Branch of the
16 National Government for the first two quarters of the
17 fiscal year 2007. The sum appropriated by this section
18 shall be apportioned as follows:

19 (1) Office of the President.

20 \$300,259, or so much thereof as may be necessary, for
21 the operations of the Office of the President for the
22 first two quarters of the fiscal year 2007. The sum
23 appropriated herein shall be apportioned as follows:

24	Personnel	[\$ 143,671]	<u>123,671</u>
25	Travel	[\$ 44,088]	<u>54,088</u>

1	Contractual Services	[65,000]	<u>75,000</u>
2	OCE		35,000
3	Fixed Assets		12,500

4 (2) Department of Foreign Affairs.
5 \$1,478,254, or so much thereof as may be
6 necessary, for the operations of the
7 Department of Foreign Affairs for the first
8 two quarters of the fiscal year 2007. The sum
9 appropriated herein shall be apportioned as
10 follows:

11	Personnel	\$	586,105
12	Travel		70,030
13	Contractual Services		687,454
14	OCE		133,925
15	Fixed Assets		740

16 (3) Department of Finance and Administration.
17 \$1,260,114, or so much thereof as may be
18 necessary, for the operations of the
19 Department of Finance and Administration for
20 the first two quarters of the fiscal year
21 2007. The sum appropriated herein shall be
22 apportioned as follows:

23	Personnel.....	\$	646,353
24	Travel		101,200
25	Contractual Services	\$	326,044

1	OCE	165,917
2	Fixed Assets	20,600
3	(4) <u>Department of Economic Affairs.</u>	
4	\$587,386, or so much thereof as may be	
5	necessary, for the operations of the	
6	Department of Economic Affairs for the first	
7	two quarters of the fiscal year 2007. The sum	
8	appropriated herein shall be apportioned as	
9	follows:	
10	Personnel	\$ 416,663
11	Travel	34,585
12	Contractual Services	56,138
13	OCE	69,000
14	Fixed Assets	11,000
15	(5) <u>Department of Transportation,</u>	
16	<u>Communication and Infrastructure.</u>	
17	\$742,995, or so much thereof as may be	
18	necessary, for the operations of the	
19	Department of Transportation, Communications	
20	and Infrastructure for the first two quarters	
21	of the fiscal year 2007. The sum appropriated	
22	herein shall be apportioned as follows:	
23	Personnel	\$ 289,971
24	Travel	51,500
25	Contractual Services	\$ 362,524

1	OCE	35,000
2	Fixed Assets	4,000
3	(6) <u>Department of Health, Education</u>	
4	<u>and Social Affairs.</u>	
5	\$1,355,344, or so much thereof as may be	
6	necessary, for the operations of the	
7	Department of Health, Education and Social	
8	Affairs for the first two quarters of the	
9	fiscal year 2007. Of the total funds	
10	appropriated herein, \$179,540 shall be deemed	
11	to come from funds available under the amended	
12	Compact for the education sector, \$383,582	
13	from the health sector, and \$643,843 from the	
14	supplemental education grant (SEG) <u>for fiscal</u>	
15	<u>year 2006</u> , provided that, these funds shall	
16	not be allotted or obligated until such time	
17	as formal approval has been obtained in	
18	accordance with the Amended Compact of Free	
19	Association. The sum appropriated herein	
20	shall be apportioned as follows:	
21	Personnel	\$ 401,740
22	Travel	129,606
23	Contractual Services	93,194
24	OCE	728,454
25	Fixed Assets	\$ 2,350

(7) Department of Justice.

\$1,266,795, or so much thereof as may be necessary, for the operations of the Department of Justice for the first two quarters of the fiscal year 2007. The sum appropriated herein shall be apportioned as follows:

Personnel	\$	922,065
Travel		52,000
Contractual Services		60,050
OCE		232,680
Fixed Assets		-0-

(8) Office of the Public Defender.

\$317,996, or so much thereof as may be necessary, for the operations of the Office of the Public Defender for the first two quarters of the fiscal year 2007. The sum appropriated herein shall be apportioned as follows:

Personnel	\$	229,122
Travel		34,752
Contractual Services		26,022
OCE		23,675
Fixed Assets		4,425

(9) Office of Compact Management.

~~[\$261,024]~~ \$561,024, or so much thereof as may

1 be necessary, for the operations of the Office
 2 of Compact Management for the first two
 3 quarters of the fiscal year 2007. The sum
 4 appropriated herein shall be apportioned as
 5 follows:

6	Personnel	\$	48,624
7	Travel		35,000
8	Contractual Services	[151,400]	<u>451,400</u>
9	OCE		17,000
10	Fixed Assets		9,000"

11 Section 4. Section 5 of Public Law No. 14-80 is hereby
 12 amended to read as follows:

13 "Section 5. Operating Expenses of the Public
 14 Auditor's Office. The sum of [~~\$401,592~~]
 15 [~~\$532,234~~], \$662,876 or so much thereof as
 16 may be necessary, is hereby appropriated from
 17 the General Fund of the Federated States of
 18 Micronesia for the fiscal year ending
 19 September 30, 2007, for the operations of the
 20 National Office of the Public Auditor for the
 21 first two quarters of the fiscal year 2007.
 22 Of the total funds appropriated herein,
 23 [~~\$130,642~~] \$261,284 shall be deemed to come
 24 from funds available under the amended
 25 Compact for Public Sector Capacity Building

1 and shall be used to establish a sub-office
 2 in Chuuk State, provided that, these funds
 3 shall not be allotted or obligated until such
 4 time as formal approval has been obtained in
 5 accordance with the amended Compact. The sum
 6 appropriated by this section shall be
 7 apportioned as follows:

8	Personnel	\$	192,642
9	Travel		80,000
10	Contractual Services		100,950
11	OCE		26,000
12	Fixed Assets		2,000
13	<u>Establishment of Chuuk Sub-office</u> [130,642]		<u>261,284"</u>

14 Section 5. Section 8 of Public Law No. 14-80 is hereby
 15 amended to read as follows:

16 "Section 8. Grants, Subsidies and Contributions. The
 17 sum of [~~\$2,387,800~~] [~~\$2,981,645~~] \$2,891,645 or so much
 18 thereof as may be necessary, is hereby appropriated from
 19 the General Fund of the Federated States of Micronesia
 20 for the fiscal year ending September 30, 2007, for the
 21 following grants, subsidies and contributions during
 22 fiscal year 2007. The sum appropriated by this section
 23 shall be apportioned as follows:

- 24 (1) Department of Foreign Affairs.
 25 (a) Pacific Islands Forum Secretariat \$ 46,000

1	(b) Secretariat for the Pacific	
2	Community (SPC)	56,000
3	(c) UN and Specialized Agencies (UN)	60,000
4	(d) UN Economic and Social Commission	
5	for Asia and the Pacific (ESCAP)	5,000
6	(e) East-West Center	5,000
7	(f) United Nations Development	
8	Program (UNDP)	23,500
9	(g) Activities in preparation for the	
10	establishment of an FSM embassy in Beijing .	75,000
11	(2) <u>Department of Finance and Administration.</u>	
12	(a) National Authorizing Committee	
13	(ACP/EU)	-0-
14	(b) OCO Membership Fee	2,000
15	<u>(c) Maintenance fee for Financial Management</u>	
16	<u>Information System</u>	<u>60,000</u>
17	(3) <u>Department of Economic Affairs.</u>	
18	(a) Pacific Islands Development Program	15,000
19	(b) Forum Fisheries Agency (FFA)	21,000
20	(c) UN Development Program	3,000
21	(d) Coordinating Committee for Offshore	
22	Minerals Prospecting (SOPAC)	40,000
23	(e) Pacific Asia Travel Association .	5,000
24	(f) UN Environmental Program (UNEP) .	600
25	(g) Western Forestry Leadership	

1	Coalition	\$	-0-
2	(h) Seaframe Program		-0-
3	(i) Food Agriculture Organization (FAO)		4,700
4	(j) UN Framework Convention		250
5	(k) National Association of State		
6	Foresters		-0-
7	(l) National Environmental		
8	Speech Contest		-0-
9	(m) FA/TCP Matching		34,500
10	(n) Matching for SPC Projects		60,000
11	(o) Tourism activities, provided		
12	that, no funds shall be allotted until such		
13	time as the Tourism Unit has submitted a plan		
14	for the use of the funds to the Standing		
15	Committee on Resources and Development and		
16	received written approval of the plan from		
17	the Chairman of the Committee		50,000
18	(4) <u>Department of Health, Education and</u>		
19	<u>Social Affairs.</u>		
20	(a) UN Fund for Population		
21	Activity (UNFPA)		3,000
22	(b) South Pacific Regional		
23	Environmental Program (SPREP)		7,375
24	(c) Aid to Non-Public Schools		300,000
25	(d) Financial Assistance to FSM		

1	Students attending College of Marshalls	
2	and Palau Community College	\$ 50,000
3	(e) World Health Organization (WHO) .	41,385
4	(f) National Board of Nursing	10,000
5	(g) Pacific Islands Health	
6	Officers Association	20,000
7	(h) National Close-Up Local Program .	64,000
8	(i) FSM Amateur Sports Association ..	20,000
9	(j) College of Micronesia Board (COM)	5,000
10	(k) Association of Territorial	
11	Health Organization	2,000
12	(l) FSM Red Cross	70,000
13	(m) UNESCO	4,000
14	<u>(n) Independent professional</u>	
15	<u>evaluations, including but not limited to</u>	
16	<u>the evaluation of the national student</u>	
17	<u>testing systems and a personnel audit of</u>	
18	<u>the Chuuk State school system, provided</u>	
19	<u>that all funds appropriated herein shall be</u>	
20	<u>deemed to come from funds available under</u>	
21	<u>the amended Compact for the Education</u>	
22	<u>Sector, and provided that, these funds</u>	
23	<u>shall not be</u>	
24	<u>allotted or obligated until such time as</u>	
25	<u>formal approval has been obtained in</u>	

1 accordance with the amended Compact\$ 200,000

2 (o) Fuel, utilities, communication,
3 equipment and contractual services for the
4 Division of Education, provided that all
5 funds appropriated herein shall be deemed
6 to come from funds available under the
7 amended Compact for the Education Sector,
8 and provided that, these funds shall not be
9 allotted or obligated until such time as
10 formal approval has been obtained in
11 accordance with the amended Compact 45,068

12 (p) \$57,000 for Division of Health
13 projects and programs, provided that, all
14 funds appropriated herein shall be deemed
15 to come from funds available under the
16 amended Compact for the Health Sector, and
17 provided that, these funds shall not be
18 allotted or obligated until such time as
19 formal approval has been obtained in
20 accordance with the amended Compact. The
21 sum appropriated herein shall be
22 apportioned as follows:

23 (i) Projected shortfalls in
24 communications 2,000

25 (ii) Drugs and medical supplies

1	<u>for Mental Health & Substance Abuse Program</u>	<u>\$ 10,000</u>
2	<u>(iii) Contracting off-island</u>	
3	<u>visiting medical specialists</u>	<u>28,000</u>
4	<u>(iv) TB & STD clinic supplies</u>	
5	<u>for the State governments</u>	<u>3,000</u>
6	<u>(v) Travel for off-island</u>	
7	<u>visiting medical specialists</u>	<u>14,000</u>
8	<u>(g) National Scholarship Fund,</u>	
9	<u>provided that, all funds appropriated</u>	
10	<u>herein shall be deemed to come from funds</u>	
11	<u>available from the Supplemental Education</u>	
12	<u>Grant (SEG) for fiscal year 2006, and</u>	
13	<u>provided that, these funds shall not be</u>	
14	<u>allotted or obligated until such time as</u>	
15	<u>formal approval has been obtained in</u>	
16	<u>accordance with the amended Compact</u>	<u>141,777</u>
17	<u>(5) Department of Transportation,</u>	
18	<u>Communications and Infrastructure.</u>	
19	(a) Asia-Pacific Telecommunity (APT)	7,640
20	(b) International Telecommunications	
21	Union (ITU)	55,000
22	(c) International Civil Aviation	
23	Organization	28,050
24	(d) Micronesian Shipping Commission .	10,000
25	(e) FSM Capital Energy/Utilities ...\$	300,000

1	(f) Marine and aviation	
2	skills updating	50,000
3	(6) <u>Coconut Development Authority (CDA).</u>	
4	(a) Copra Subsidy	50,000
5	(b) Asia Pacific Coconut	
6	Community (APCC)	-0-
7	(c) Pilot Plant Project	49,300
8	(7) <u>Other Grants, Subsidies and Contributions.</u>	
9	(a) Kosrae Judiciary	
10	subsidy	30,000
11	(b) Pohnpei Judiciary	
12	subsidy	45,000
13	(c) Chuuk Judiciary subsidy	45,000
14	(d) Yap Judiciary subsidy	20,000
15	(e) COM Treaty Obligations	25,000
16	(f) Micronesia Legal Services	
17	Corporation	150,000
18	(g) States Joint Law Enforcement,	
19	provided that \$25,000 shall go to Kosrae	
20	State, \$50,000 shall go to Pohnpei State,	
21	\$50,000 shall go to Chuuk State and \$25,000	
22	shall go to Yap State	150,000
23	(h) Tuna Commission Membership	16,000
24	(i) Disaster Assistance Emergency	
25	Fund (DAEF) Matching	\$ 200,000

1	(k) Maritime Boundary Delimitation ..	43,500
2	(l) Yap Judiciary subsidy to be used	
3	solely to fund scholarships for citizens of	
4	Yap who are studying law	10,000
5	[(m) ADB Fisheries Development Loan	
6	payment	90,000] "

7 Section 6. Section 9 of Public Law No. 14-80 is hereby
8 amended to read as follows:

9 "Section 9. Capital and Human Resource Development.

10 The sum of [~~\$8,232,500~~] \$8,555,333, or so much thereof
11 as may be necessary, is hereby appropriated from the
12 General Fund of the Federated States of Micronesia for
13 the fiscal year ending September 30, 2007, for the
14 following capital improvements, development programs and
15 projects and human resource development. The sum
16 appropriated by this section shall be apportioned as
17 follows:

18 (1) College of Micronesia-FSM.

19 [~~\$5,950,000~~] \$6,272,833, or so much thereof as may be
20 necessary, for the operations, programs and projects of
21 the College during fiscal year 2007. The sum
22 appropriated herein shall be apportioned as follows:

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

1 Compact for the Education Sector, provided
2 further that, \$52,833 of these funds shall be
3 used only for fuel, utilities, communication,
4 equipment and contractual services, and
5 provided that, these funds shall not be
6 allotted or obligated until such time as
7 formal approval has been obtained in
8 accordance with the Amended Compact of Free
9 Association\$ [~~3,800,000~~] 3,852,833

10 (b) Fisheries and Maritime Institute 650,000

11 (c) COM-FSM State Campus Facility
12 Improvement, PROVIDED THAT the sum
13 appropriated herein shall be deemed to come
14 from funds available under the
15 amended Compact for Infrastructure Development
16 Sector and, provided that, these funds shall
17 not be allotted or obligated until such time
18 as formal approval has been obtained in
19 accordance with the Amended Compact of Free
20 Association 1,500,000

21 (d) COM-FSM Work Study Program,
22 PROVIDED THAT the General Fund shall be
23 reimbursed for any expenditures under this
24 subsection from Supplemental Education Grant
25 (SEG) funds for fiscal year 2007 once these

1	<u>funds are made available</u>	<u>\$ 270,000</u>
2	(2) <u>Department of Finance and Administration.</u>	
3	(a) National Staff Upgrading	50,000
4	(b) Asian Development Bank MLFC Loan	-0-
5	(3) <u>Department of Economic Affairs.</u>	
6	(a) FSM Tourism Promotion	100,000
7	(b) FSM Trade and FDI Project	75,000
8	(c) Diversification of Energy	125,000
9	(d) Crop Production Improvement	15,000
10	(4) <u>Department of Transportation,</u>	
11	<u>Communication and Infrastructure.</u>	
12	(a) Dry Docking of MS Voyager PROVIDED	
13	THAT of the amount appropriated herein	
14	\$756,592 shall come from funds available under	
15	the amended Compact for Infrastructure	
16	Development Sector and, provided that, these	
17	funds shall not be allotted or obligated until	
18	such time as formal approval has been obtained	
19	in accordance with the Amended Compact of Free	
20	Association	880,000
21	(b) Tuna Commission Headquarters	
22	Supplement	-0-
23	(5) <u>Department of Justice.</u>	
24	(a) FSM Patrol Boat Slipping	250,000
25	(b) Construction of 2 fuel tanks ...\$	-0-

1	(6) <u>FSM Postal Services.</u>	
2	(a) Pohnpei Post Office renovation ..	50,000
3	(7) <u>Infrastructure Maintenance Fund (IMF).</u>	
4	(a) IMF PROVIDED THAT \$118,750 of the	
5	funds appropriated herein shall be deemed to	
6	come from funds available under the amended	
7	Compact for Infrastructure Development Sector	
8	and, provided that, these funds shall not be	
9	allotted or obligated until such time as	
10	formal approval has been obtained in	
11	accordance with the Amended Compact of Free	
12	Association.....	237,500
13	(8) <u>FSM Development Bank.</u>	
14	(a) Escrow Account USDA Housing Program	-0-
15	(9) <u>FSM Trust Fund.</u>	
16	(a) FSM Trust Fund created under the	
17	Amended Compact of Free Association, provided	
18	that, 50% of any FY 2006 domestic revenue	
19	carryover shall also be deposited into the FSM	
20	Trust Fund	500,000"

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Section 7. This act shall become law upon approval by the

1 President of the Federated States of Micronesia or upon its
2 becoming law without such approval.

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4 Date: 11/6/06

Introduced by: /s/ Simiram Sipenuk

Simiram Sipenuk
(by request)

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