

A BILL FOR AN ACT

To further amend Public Law No. 14-80, as amended by Public Laws Nos. 14-95, 14-99 and 14-104, the FY 2007 budget, by further amending sections 1, 2, 3, 7, ~~and~~ 8 and 12 thereof, for the purpose of appropriating ~~[\$256,913]~~ \$321,913 in supplemental funding from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 2007, to readjust the amount of funds available through the Special Election Grant, to provide for the operations of the Executive and Legislative Branches, national agencies, various programs, grants, subsidies, and contributions, 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, as amended by
2 Public Laws Nos. 14-95, ~~and~~ 4-99 and 14-104, is hereby further
3 amended to read as follows:

4 "To appropriate the sum of \$~~[36,712,652.62]~~
5 ~~[36,325,720.62]~~ 36,390,720.62 from the General Fund of
6 the Federated States of Micronesia for the fiscal year
7 ending September 30, 2007 for the purpose of funding the
8 operations of all branches of the National Government of
9 the Federated States of Micronesia, its agencies,
10 various programs, grants, subsidies and contributions
11 and to establish a capital and human resources
12 development budget for the fiscal year 2007, and for
13 other purposes."

14 Section 2. Section 1 of Public Law No. 14-80, as amended by
15 Public Laws Nos. 14-95, ~~and~~ 14-99 and 14-104, is hereby further
16 amended to read as follows:

1 "Section 1. An annual budget in the amount of
2 \$~~[36,712,652.62]~~ [~~36,325,720.62~~] 36,390,720.62 from for
3 the fiscal year ending September 30, 2007 is hereby
4 approved. There is hereby appropriated from the General
5 Fund of the Federated States of Micronesia for the
6 fiscal year ending September 30, 2007 the sum of
7 \$~~[36,712,652.62]~~ [~~36,325,720.62~~] 36,390,720.62 from for
8 the purpose of funding the operations of all branches of
9 the National Government of the Federated States of
10 Micronesia, its agencies, various programs, grants,
11 subsidies and contributions; and capital and human
12 resource development for the fiscal year ending
13 September 30, 2007. The sum appropriated herein shall
14 be apportioned as follows:"

15 Section 3. Section 2 of Public Law No. 14-80, as amended by
16 Public Laws Nos. 14-95, [~~and~~] 14-99 and 14-104, is hereby further
17 amended to read as follows:

18 "Section 2. Operating expenses of the Executive Branch.
19 The sum of \$~~[15,759,217]~~ 15,175,372 or so much thereof
20 as may be necessary, is hereby appropriated from the
21 General Fund of the Federated States of Micronesia for
22 the fiscal year ending September 30, 2007, for the
23 purpose of funding the operations of the Executive
24 Branch of the National Government for the fiscal year
25 2007. The sum appropriated by this section shall be

1 apportioned as follows:

2 (1) Office of the President.

3 [~~\$605,517~~] \$615,517, or so much thereof as may be
4 necessary, for the operations of the Office of the

5 President for the fiscal year 2007. The sum

6 appropriated herein shall be apportioned as follows:

7	Personnel	\$	267,341
8	Travel		98,176
9	Contractual Services		145,000
10	OCE	[70,000]	<u>80,000</u>
11	Fixed Assets		25,000

12 (2) Department of Foreign Affairs.

13 \$2,964,306, or so much thereof as may be
14 necessary, for the operations of the

15 Department of Foreign Affairs for the fiscal

16 year 2007. The sum appropriated herein shall

17 be apportioned as follows:

18	Personnel	\$	1,172,209
19	Travel		147,860
20	Contractual Services		1,374,907
21	OCE		267,850
22	Fixed Assets		1,480

23 (3) Department of Finance and Administration.

24 \$2,570,323 or so much thereof as may be

25 necessary, for the operations of the

1 Department of Finance and Administration for
2 the fiscal year 2007. The sum appropriated
3 herein shall be apportioned as follows:

4	Personnel	\$ 1,298,426
5	Travel	246,775
6	Contractual Services	652,088
7	OCE	331,834
8	Fixed Assets	41,200

9 (4) Department of Economic Affairs.

10 \$1,174,769, or so much thereof as may be
11 necessary, for the operations of the
12 Department of Economic Affairs for the fiscal
13 year 2007. The sum appropriated herein shall
14 be apportioned as follows:

15	Personnel	\$ 833,325
16	Travel	69,169
17	Contractual Services	112,275
18	OCE	138,000
19	Fixed Assets	22,000

20 (5) Department of Transportation, Communication and
21 Infrastructure.

22 \$1,585,990, or so much thereof as may be
23 necessary, for the operations of the
24 Department of Transportation, Communications
25 and Infrastructure for the fiscal year

1	2007. The sum appropriated herein shall be	
2	apportioned as follows:	
3	Personnel	\$ 579,942 <u>436,846</u>
4	Travel	103,000
5	Contractual Services, <u>provided that \$143,096 will be</u>	
6	<u>used for PPOL for Caroline Voyager</u> 825,048	<u>968,144</u>
7	OCE	70,000
8	Fixed Assets	8,000

9 (6) Department of Health, Education and Social
10 Affairs.

11 [~~\$2,710,685~~] \$2,066,840, or so much thereof as
12 may be necessary, for the operations of the
13 Department of Health, Education and Social
14 Affairs for the fiscal year 2007. Of the
15 total funds appropriated herein, \$359,080
16 shall be deemed to come from funds available
17 under the amended Compact for the education
18 sector, \$767,164 from the health sector, and
19 [~~\$1,287,688~~] \$643,843 from the supplemental
20 education grant (SEG) for fiscal year 2006,
21 provided that, these funds shall not be
22 allotted or obligated until such time as
23 formal approval has been obtained in
24 accordance with the Amended Compact of Free
25 Association. The sum appropriated herein shall

1 be apportioned as follows:

2	Personnel	\$ 803,480
3	Travel	259,211
4	Contractual Services	186,387
5	OCE	[1,456,907] <u>813,062</u>
6	Fixed Assets	4,700

7 (7) Department of Justice.

8 [~~\$2,689,589~~] \$2,739,589, or so much thereof as
9 may be necessary, for the operations of the
10 Department of Justice for the fiscal year
11 2007. The sum appropriated herein shall be
12 apportioned as follows:

13	Personnel.....	\$ 1,844,130
14	Travel.....	104,000
15	Contractual Services, provided that \$50,000 16 will be used as a contributions towards the 17 Police Academy Training in 2007.....	[140,100] <u>190,100</u>
18	OCE	565,359
19	Fixed Assets	36,000

20 (8) Office of the Public Defender.

21 \$635,991, or so much thereof as may be
22 necessary, for the operations of the Office of
23 the Public Defender for the fiscal year 2007.
24 The sum appropriated herein shall be
25 apportioned as follows:

1	Personnel	\$ 458,244
2	Travel	69,503
3	Contractual Services	52,044
4	OCE	47,350
5	Fixed Assets	8,850

6 (9) Office of Compact Management.

7 \$822,047, or so much thereof as may be
8 necessary, for the operations of the Office of
9 Compact Management for the fiscal year 2007.

10 Of the total funds appropriated herein,
11 \$300,000 shall be deemed to come from funds
12 available under the amended Compact carryover
13 from fiscal year 2005 and shall be used for
14 foreign consultant fees, provided that, these
15 funds shall not be allotted or obligated until
16 such time as formal approval has been obtained
17 in accordance with the amended Compact. The
18 sum appropriated herein shall be apportioned
19 as follows:

20	Personnel	\$ 97,247
21	Travel	70,000
22	Contractual Services	602,800
23	OCE	34,000
24	Fixed Assets	18,000"

25 Section 4. Section 3 of Public Law No. 14-80, as amended by

1 Public Laws Nos. 14-99 and 14-104, is hereby further amended to
2 read as follows:

3 "Section 3. Operating expenses of the
4 Legislative Branch. The sum of \$ [~~3,357,164~~]
5 3,377,164, or so much thereof as may be
6 necessary, is hereby appropriated from the
7 General Fund of the Federated States of
8 Micronesia for the fiscal year ending
9 September 30, 2007, for the operations of the
10 Legislative Branch of the National Government
11 for the fiscal year 2007. The sum
12 appropriated by this section shall be
13 apportioned as follows:

14 (1) Speaker and Members.

15 \$1,542,771, or so much thereof as may be
16 necessary, for the operations of the Office of
17 the Speaker and Members of the Congress of the
18 Federated States of Micronesia for the fiscal
19 year 2007. The sum appropriated herein shall
20 be apportioned as follows:

21 Personnel	\$	415,290
22 Travel		464,881
23 Contractual Services		612,600
24 OCE		50,000

25 (2) Staff Offices.

1 \$1,274,393, or so much thereof as may be
2 necessary, for the operations of the Congress
3 staff offices for the fiscal year 2007. The
4 sum appropriated herein shall be apportioned
5 as follows:

6	Personnel	\$	822,962
7	Travel		134,371
8	Contractual Services		168,500
9	OCE		122,340
10	Fixed Assets		26,220

11 (3) Congress Delegation Offices.

12 \$~~[540,000]~~ 560,000, or so much thereof as may
13 be necessary, for the operations of the
14 Congress delegation offices for the fiscal
15 year 2007. The sum appropriated herein shall
16 be apportioned as follows:

17	(a) Kosrae Delegation Office	\$	80,000
18	(b) Pohnpei Delegation Office [140,000]		<u>160,000</u>
19	(c) Chuuk Delegation Office		240,000
20	(d) Yap Delegation Office		80,000"

21 Section ~~[4]~~ 5. Section 7 of Public Law No. 14-80 is hereby amended
22 to read as follows:

23 "Section 7. Special Programs. The sum of
24 ~~[\$403,582]~~ \$533,582 or so much thereof as may be
25 necessary, is hereby appropriated from the General

1 Fund of the Federated States of Micronesia for the
2 fiscal year ending September 30, 2007, for the
3 following special programs during fiscal year
4 2007. The sum appropriated by this section shall
5 be apportioned as follows:

6 (1) FSM Aquaculture Center.

7 \$79,282, or so much thereof as may be
8 necessary for the operation of the FSM
9 Aquaculture Center during the fiscal year
10 2007. The sum appropriated herein shall be
11 apportioned as follows:

12 Personnel	\$	\$38,617
13 Travel		8,802
14 Contractual Services		9,474
15 OCE		22,389
16 Fixed Assets		-0-

17 (2) Office of the National Election
18 Director.

19 [~~\$314,300~~] \$444,300, or so much thereof as may
20 be necessary for the operation of the Office
21 of the National Election Director during the
22 fiscal year 2007. The sum appropriated herein
23 shall be apportioned as follows:

24 Personnel	[180,000]	<u>157,330</u>
25 Travel	\$ [5,220]	<u>10,605</u>

1	Contractual Services	[21,000] [119,965]	<u>142,715</u>
2	OCE	[108,000]	<u>133,650</u>
3	Fixed Assets		-0-

(3) Sustainable Development Council.

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

Section [~~5~~] 6. Section 8 of Public Law No. 14-80, as amended by Public Law No. 14-99 and 14-104, is hereby amended to read as follows:

"Section 8. Grants, Subsidies and Contributions. The sum of \$[~~4,987,837.62~~] [~~5,054,750.62~~] 5,099,750.62 or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 2007, for the following grants, subsidies and contributions during fiscal year 2007. The sum appropriated by this section shall be apportioned as follows:

(1) Department of Foreign Affairs.

22	(a) Pacific Islands Forum Secretariat	\$	46,000
23	(b) Secretariat for the Pacific		
24	Community (SPC)		56,000
25	(c) UN and Specialized Agencies (UN)	\$	60,000

1	(d) UN Economic and Social Commission	
2	for Asia and the Pacific (ESCAP)	5,000
3	(e) East-West Center	5,000
4	(f) United Nations Development	
5	Program (UNDP)	23,500
6	(g) Activities in preparation for the	
7	establishment of an FSM embassy in	
8	Beijing	207,585
9	(h) Activities in honor of the	
10	FSM's 20th Independence Anniversary	0
11	(2) <u>Department of Finance and Administration.</u>	
12	(a) [National Authorizing Committee	
13	(ACP/EU)] <u>ACP Membership Fees</u>	<u>40,000</u>
14	(b) OCO Membership Fee	2,000
15	(c) Maintenance fee for Financial	
16	Management Information System	60,000
17	(3) <u>Department of Economic Affairs.</u>	
18	(a) Pacific Islands Development	
19	Program	15,000
20	(b) Forum Fisheries Agency (FFA)	21,000
21	(c) UN Development Program	3,000
22	(d) Coordinating Committee for	
23	Offshore Minerals Prospecting (SOPAC)	40,000
24	(e) Pacific Asia Travel Association .	5,000
25	(f) UN Environmental Program (UNEP) \$	600

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

1	(d) Financial Assistance to FSM	
2	Students attending College of Marshalls	
3	and Palau Community College	50,000
4	(e) World Health Organization (WHO) .	41,385
5	(f) National Board of Nursing	10,000
6	(g) Pacific Islands Health	
7	Officers Association	20,000
8	(h) National Close-Up Local Program .	64,000
9	(i) FSM Amateur Sports Association ..	20,000
10	(j) College of Micronesia Board (COM)	5,000
11	(k) Association of Territorial	
12	Health Organization	2,000
13	(l) FSM Red Cross	70,000
14	(m) UNESCO	4,000
15	(n) Independent professional evaluations,	
16	including but not limited to the evaluation of the	
17	national student testing systems and a personnel audit	
18	of the Chuuk State school system, provided that all	
19	funds appropriated herein shall be deemed to come from	
20	funds available under the amended Compact for the	
21	Education Sector, and provided that, these funds shall	
22	not be allotted or obligated until such time as formal	
23	approval has been obtained in accordance with the	
24	amended Compact	200,000
25	(o) Fuel, utilities, communication,	

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

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

- 20 (i) Projected shortfalls in
21 communications 2,000
- 22 (ii) Drugs and medical supplies
23 for Mental Health & Substance Abuse Program 10,000
- 24 (iii) Contracting off-island
25 visiting medical specialists\$ 28,000

1	(iv) TB & STD clinic supplies	
2	for the State governments	3,000
3	(v) Travel for off-island	
4	visiting medical specialists	14,000
5	(q) National Scholarship Fund, provided that, all	
6	funds appropriated herein shall be deemed to come from	
7	funds available from the Supplemental Education Grant	
8	(SEG) for fiscal year 2006, and provided that, these	
9	funds shall not be allotted or obligated until such time	
10	as formal approval has been obtained in accordance with	
11	the amended Compact	141,777
12	(5) <u>Department of Transportation,</u>	
13	<u>Communications and Infrastructure.</u>	
14	(a) Asia-Pacific Telecommunity (APT)	7,640
15	(b) International Telecommunications	
16	Union (ITU)	55,000
17	(c) International Civil Aviation	
18	Organization	28,050
19	(d) Micronesian Shipping Commission .	10,000
20	(e) FSM Capital	
21	Energy/Utilities	390,000
22	(f) Marine and aviation	
23	skills updating	50,000
24	(6) <u>Coconut Development Authority (CDA).</u>	
25	(a) Copra Subsidy	\$ 50,000

1	(b) Asia Pacific Coconut	
2	Community (APCC)	15,000
3	(c) Pilot Plant Project	49,300
4	(7) Other Grants, Subsidies and Contributions.	
5	(a) Kosrae Judiciary subsidy	30,000
6	(b) Pohnpei Judiciary subsidy	45,000
7	(c) Chuuk Judiciary subsidy	45,000
8	(d) Yap Judiciary subsidy	20,000
9	(e) COM Treaty Obligations	25,000
10	(f) Micronesian Legal Services	
11	Corporation	150,000
12	(g) States Joint Law Enforcement,	
13	provided that \$25,000 shall go to Kosrae	
14	State, \$50,000 shall go to Pohnpei State,	
15	\$50,000 shall go to Chuuk State and	
16	\$25,000 shall go to Yap State	150,000
17	(h) Tuna Commission Membership	16,000
18	(i) Disaster Assistance Emergency	
19	Fund (DAEF) Matching	200,000
20	(k) Maritime Boundary Delimitation ..	43,500
21	(l) Yap Judiciary subsidy to be used	
22	solely to fund scholarships for citizens of	
23	Yap who are studying law	10,000
24	(m) Passport Revolving Fund	233,607.62
25	(n) State of Kosrae, PROVIDED THAT the amount	

1 appropriated herein shall take the form of a loan, the
2 terms of which have been agreed between the President
3 and the Governor of Kosrae, to help the State recover
4 from its current financial
5 crisis.....\$ 1,500,000
6 (o) ~~[May]~~ July 2007 Presidential
7 Inauguration~~[50,000]~~ ~~[100,000]~~ 74,000
8 (p) July 2007 Presidential Inauguration -
9 Congress funding to be divided as follows:
10 (i) Kosrae Delegation 5,000
11 (ii) Yap Delegation 7,000
12 (iii) Chuuk Delegation 13,000
13 (iv) Pohnpei Delegation 1,000
14 Total 26,000
15 (~~[p]~~q) MiCare, to be used to cover 10%
16 increase in premiums for members of
17 health plan~~[0]~~ 16,913
18 (~~[q]~~ r) Land Grant Treaty 25,000
19 (~~[r]~~ s) Funeral expenses for former
20 President Tosiwo Nakayama~~[50,000]~~ 55,000"

21 Section ~~[6]~~ 7. Section 12 of Public Law No. 14-80 is
22 hereby amended to read as follows:

23 "Section 12. Allotment and management of funds and
24 lapse date.

25 (1) General Provisions.

1 (a) All funds appropriated by this act shall be
2 allotted, managed, administered and accounted for in
3 accordance with applicable law, including, but not
4 limited to, the Financial Management Act of 1979 and the
5 amended Compact of Free Association between the United
6 States Government and the Government of the Federated
7 States of Micronesia and its related agreements.

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

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

15 (a) Section 2 - the allottee of these funds shall
16 be the President of the Federated States of Micronesia;

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

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

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

1 (e) Sections 6 through 9 - the allottee of these
2 funds shall be the President of the Federated States of
3 Micronesia, EXCEPT THAT for the following subsections of
4 sections 8 through 9 of this act:

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

8 (ii) section 8 subsection (7)(l) - the
9 allottee shall be the Yap Office of the Public Defender,

10 (iii) section 8 subsection (7)(n) - the
11 allottee of these funds shall be the Governor of the
12 State of Kosrae.

13 (iv) section 8 subsection (7)(p) - the
14 allottee of these funds shall be the Speaker of the
15 Congress of the Federated States of Micronesia;

16 (~~i~~) section 8 subsection (7)(~~q~~) (r) the
17 allottee of these funds shall be the President of the
18 College of Micronesia-FSM.

19 [~~v~~](vi) section 9(1)(a) through (d)- the
20 allottee of these funds shall be the President of the
21 College of Micronesia-FSM.

22 (3) Lapse Date. The authority of the allottee to
23 obligate funds appropriated by this act shall lapse as
24 of September 30, 2007, EXCEPT the funds appropriated
25 under section 9 of this act shall not lapse."

1 Section 8. This act shall become law upon approval by the
2 President of the Federated States of Micronesia or upon its
3 becoming law without such approval.

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5 Date: _____ Introduced by: _____
Dohsis Halbert

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