

A BILL FOR AN ACT

To further amend section 112 of title 52 of the Code of the Federated States of Micronesia, as amended by Public Law Nos. 11-81 and 13-64, and by inserting a new section 208 to chapter 2 of title 52 F.S.M.C., to provide for a cost-of-living allowance (COLA) for employees covered by the National Public Service System Act whose earnings from national government employment are \$15,000 or less per annum, and for other purposes.

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

1 Section 1. Section 112 of title 52 of the Code of the
2 Federated States of Micronesia, as amended by Public Law Nos.
3 11-81 and 13-64, is hereby further amended to read as follows:

4 "Section 112. Definitions. In this chapter, unless
5 the context requires otherwise, the following
6 definitions shall apply:

7 (1) "Adjusted base salary" means the total of base
8 salary plus marketplace premium, foreign service
9 premium, professional premium, or cost-of-living
10 allowance (COLA). If an employee is not entitled to
11 any of these premiums, his adjusted base salary means
12 his base salary.

13 (2) "Base Salary" means the specific rate of pay for
14 a given pay level and step as contained within the
15 base salary schedule established by law. "Base
16 Salary" does not include premiums under section 163 of
17 this chapter, professional premiums, cost-of-living

1 allowance (COLA), differentials under section 164 of
2 this chapter, or transfer, travel per diem, or other
3 similar allowances.

4 (3) "Class" or "class of positions" means a group of
5 positions sufficiently similar so that all can
6 reasonably be identified by the same title, be filled
7 by applying the same qualification standards, and be
8 equitably compensated by the same salary level. A
9 class may consist of only one position or of any
10 greater number of positions.

11 (4) "cost-of-living allowance (COLA)" means the
12 increase in base salary to compensate for loss of
13 purchasing power due to inflation. The COLA increment
14 is not subject to tax or social security contribution.

15 [~~(4)~~] (5) "Eligible list" means a list of persons who
16 have been found qualified for appointment to a
17 position in a particular class. Such a list may be
18 either reemployment, promotional, or open-competitive.

19 [~~(5)~~] (6) "Eligible person" or "eligible" means a
20 person whose name is on an active eligible list.

21 [~~(6)~~] (7) "Employee" means a person holding a
22 position in the public service, whether permanently or
23 otherwise.

24 [~~(7)~~] (8) "Foreign service premium" means a premium
25 set forth under subsection 163(2) of this title ~~to be~~

1 ~~paid in addition to base salary to employees who are~~
2 ~~citizens of the Federated States of Micronesia~~
3 ~~assigned to permanent duty stations outside the~~
4 ~~Federated States of Micronesia.~~

5 ~~(8)~~ (9) "Government of Federated States of
6 Micronesia" includes the Legislative, the Executive,
7 and the Judicial Branches and the agencies of the
8 Government of Micronesia.

9 ~~(9)~~ (10) "Management official" or "management" means
10 a person authorized to make appointments or changes in
11 status of employees in the public services.

12 ~~(10)~~ (11) "Market place premium" means a premium as
13 set forth under subsection 163(1) of this title.

14 ~~(11)~~ (12) "Open-competitive examination" means an
15 examination for positions in a particular class,
16 admission to which is not limited to persons employed
17 in public service.

18 ~~(12)~~ (13) "Open-competitive list" means list of
19 persons who have been found qualified by open-
20 competitive examination for appointment to a position
21 in a particular class.

22 ~~(13)~~ (14) "Personnel officer" means the head of the
23 Office of Personnel of the Government of the Federated
24 States of Micronesia.

25 ~~(14)~~ (15) "Position" means a group of duties and

1 responsibilities assigned by competent authority to be
2 performed by one person, working full-time or part-
3 time. A position may be either occupied or vacant.

4 [~~(15)~~] (16) "Position classification plan" means the
5 arrangement in a systematic order of the titles of all
6 classes existing in the public service, with a
7 description of each class.

8 [~~(16)~~] (17) "Probation period" means a period of
9 probationary employment status of not less than six
10 months nor more than one year from the beginning of an
11 employee's service in a particular position or class
12 in the public service.

13 [~~(17)~~] (18) "Professional premium" means a premium as
14 set forth under subsection 163(3) of this title.

15 [~~(18)~~] (19) "Promotional examination" means an
16 examination for positions in a particular class,
17 admission to which is limited to regular employees in
18 the public service.

19 [~~(19)~~] (20) "Promotional list" means a list of
20 persons who have been found qualified by a promotional
21 examination for appointment to a position in a
22 particular class.

23 [~~(20)~~] (21) "Public service" means all offices and
24 other positions in the Government of the Federated
25 States of Micronesia not exempted by section 117 of

1 this chapter.

2 ~~[(21)]~~ (22) "Reemployment list" means a list of
3 persons who have been regular employees in the public
4 service and who are entitled to have their names
5 certified for appointment to a position in the class
6 in which they last held permanent status, or in a
7 related class in the same or a lower salary range for
8 which they meet the qualification requirements.

9 ~~[(22)]~~ (23) "Regular employee" or "*permanent*
10 *employee*" means an employee who has been appointed to
11 a position in the public service who has successfully
12 completed a probation period."

13 Section 2. Title 52 of the Code of the Federated States of
14 Micronesia, as amended, is hereby further amended by inserting a
15 new section 208 of chapter 2 to read as follows:

16 "Section 208. Cost-of-living allowance (COLA).
17 Employees earning a base salary of \$15,000 per annum
18 or less shall receive a cost-of-living allowance
19 (COLA) in the amount of \$40.00 per 80 hour pay period.
20 This COLA shall be in effect from October 1, 2012 to
21 September 30, 2015."

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25 Section 3. 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: 5/22/13

Introduced by: /s/ Wesley W. Simina
Wesley W. Simina

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