



*The President*  
*Palikir, Pohnpei*  
*Federated States of Micronesia*

**PRESIDENTIAL COMM. NO. 17-f88**  
**FSM CONGRESS**

February 9, 2012

The Honorable Isaac V. Figir  
Speaker  
17<sup>th</sup> FSM Congress  
Palikir, Pohnpei State, FM 96941



Dear Speaker Figir:

I hereby return the following congressional act which I have grudgingly signed to become Public Law No. 17-34, with great reservations and with numerous item vetoes:

Congressional Act No. 17-33, "AN ACT TO APPROPRIATE THE SUM OF \$2,100,000 FROM THE GENERAL FUND OF THE FEDERATED STATES OF MICRONESIA FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2012, FOR THE PURPOSE OF FUNDING PUBLIC PROJECTS AND SOCIAL PROGRAMS IN THE STATES OF YAP, KOSRAE, POHNPEI AND CHUUK, AND FOR OTHER PURPOSES."

I explain in this communication the reservations I have and the dilemma that I find myself in as I deliberated on the subject. The mathematical discrepancy in the bill made the review much more difficult, and I hope that Congress will address this soon. At the outset, allow me to reiterate that I do not oppose public projects in general. In fact, I commend the States of Yap<sup>1</sup> and Kosrae for funding meaningful capital projects. What I personally oppose are public expenditures that have little impact or no contribution at all to the welfare of our constituents, such as travel funds. I also believe that appropriations for public projects and social programs must be made transparent. In this case, there are no inputs from the executive branch, and the appropriation bill was not open to public hearing, yet the President is designated as the allottee of many of these public projects. At the very least, the President should have been heard on his views regarding the validity of these projects/programs. More so, there are weak links between these public projects and social programs and the Strategic Development Plan (SDP) of the nation.

Appropriation for public project such as this act raises false hope on our people, and it builds public appetite to demand for more projects that are lacking in substance. Clearly, there are no set rules, procedures, guidelines or policies to implement these projects. For example, fishing projects, farming projects, sewing projects, and low income subsidy are among the nebulous line items in relatively small amounts that will benefit only a few individuals.

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<sup>1</sup> On Yap Catholic High School construction, I would have preferred that this be made more neutral to accommodate Christian groups other than Catholic.



**PRESIDENTIAL COMM. NO. 17-188**  
**FSM CONGRESS**

The Honorable Isaac V. Figir  
February 9, 2012  
Page 2

On the other hand, the congressional act strengthens JEMCO's argument that FSM fails to plan, and that it fails in exercising fiscal responsibility. Public projects must be anchored on coherent plan such as the SDP which contributes to the economic well-being of the nation. For this reason, I disapproved travels, subsidies and other expenditures for operation of election districts for being vague, duplicitous and unnecessary.

In view of the foregoing discussions and observations, I have vetoed the following line items:

1. Page 2, line 7, §4(1)(b) Subsidy for four municipal governments . . . . . \$40,000
2. Page 2, line 9, §4(1)(c) Kosrae Broadcast equipment. . . . . \$10,000
3. Page 2, line 24, §4(2)(j) Travel needs. . . . . \$15,000
4. Page 3, line 16, §4(1)(g) Leadership conference/travel . . . . . \$15,000
5. Page 3, line 23, §4(2)(b) Election District No. 1, subsidy . . . . . \$30,000
6. Page 3, line 23, §4(2)(b) Election District No. 1, subsidy . . . . . \$30,000
7. Page 4, line 7, §4(3)(e) Election District No. 2 subsidy. . . . . \$13,000
8. Page 5, line 8, §4(4)(j) Election District No. 3, subsidy . . . . . \$20,000
9. Page 6, line 6, §5(1)(i) Reimbursement payment for POL and charters. . \$20,000
10. Page 6, line 8, §5(1)(j) Social Security outstanding premium subsidy. . \$10,000
11. Page 6, line 11, §5(1)(l) CSCIP (administrative support services). . . . \$10,000
12. Page 6, line 18, §5(2)(d) Transportation needs . . . . . \$5,000
13. Page 7, line 5, §5(3)(b) Northern Namoneas Social and  
Economic Development . . . . . \$55,000
14. Page 7, line 15, §5(4)(b) Office space rental (SNDA). . . . . \$5,000
15. Page 7, line 16, §5(4)(c) Land Transportation. . . . . \$5,000
16. Page 7, line 20, §5(4)(f) POL and charter. . . . . \$10,000
17. Page 7, line 25, §5(4)(j) CSCIP subsidy. . . . . \$5,000
18. Page 8, line 10, §5(5)(e) Leadership exposure and travel. . . . . \$25,000
19. Page 8, line 17, §5(5)(i) CSCIP subsidy. . . . . \$5,000



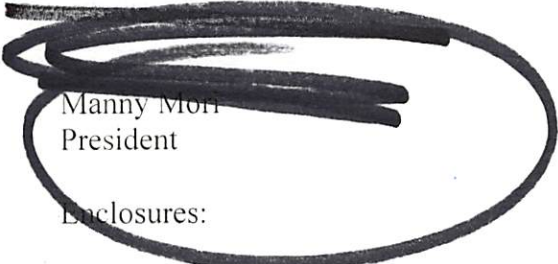
PRESIDENTIAL COMM. NO. 17-188  
FSM CONGRESS

The Honorable Isaac V. Figir  
February 9, 2012  
Page 3

18. Page 8, line 22, §5(6)(c) Office rental. . . . . \$5,000

With warm personal regards, I remain,

Sincerely,



Manny Mori  
President

Enclosures:

xc: Chief Justice, FSM Supreme Court  
Acting Secretary, Department of Justice  
Director, Office of SBOC  
Legislative Counsel, CFSM  
Library, CFSM  
PIO, FSM



CONGRESS OF THE FEDERATED STATES OF MICRONESIA

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PRESIDENTIAL COMM. NO. 17-188  
FSM CONGRESS

Office of the Chief Clerk

January 30, 2012



His Excellency Manny Mori  
President  
Federated States of Micronesia  
Palikir, Pohnpei FM 96941

Dear President Mori:

I have the honor to transmit herewith Congressional Act No. 17-33, "AN ACT TO APPROPRIATE THE SUM OF \$2,100,000 FROM THE GENERAL FUND OF THE FEDERATED STATES OF MICRONESIA FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2012, FOR THE PURPOSE OF FUNDING PUBLIC PROJECTS AND SOCIAL PROGRAMS IN THE STATES OF YAP, KOSRAE, POHNPEI AND CHUUK, AND FOR OTHER PURPOSES.", which was passed by the Seventeenth Congress of the Federated States of Micronesia, Third Regular Session, 2012, by a two-thirds vote of all the State delegations as required and as duly certified.

Sincerely yours,

Liwiana Ramon Ioanis  
Chief Clerk, Congress of the  
Federated States of Micronesia

Enclosures





**PUBLIC LAW No. 17-34**

SEVENTEENTH CONGRESS OF THE  
FEDERATED STATES OF MICRONESIA  
THIRD REGULAR SESSION  
JANUARY 16 – FEBRUARY 09, 2012

**PRESIDENTIAL COMM. NO. 17-188**  
**FSM CONGRESS**

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## An Act

TO APPROPRIATE THE SUM OF \$2,100,000 FROM THE GENERAL FUND OF THE FEDERATED STATES OF MICRONESIA FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2012, FOR THE PURPOSE OF FUNDING PUBLIC PROJECTS AND SOCIAL PROGRAMS IN THE STATES OF YAP, KOSRAE, POHNPEI AND CHUUK, AND FOR OTHER PURPOSES.

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INTRODUCED BY SENATOR: PALIKNOA K. WELLY  
DATE: NOVEMBER 18, 2011

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REFERRED TO: COMMITTEE ON WAYS AND MEANS  
WITHDRAWN JANUARY 19, 2012  
FIRST READING: JANUARY 19, 2012  
SECOND READING: JANUARY 30, 2012

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A handwritten signature in blue ink, reading "Liwiana Ramon Ioanis".

Liwiana Ramon Ioanis  
Chief Clerk, FSM Congress



CONGRESS OF THE FEDERATED STATES OF MICRONESIA

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Office of the Speaker

**PRESIDENTIAL COMM. NO. 17-188**  
**FSM CONGRESS**

ACT NO. 17-33

(CONGRESSIONAL BILL NO. 17-71, C.D.1)

We hereby certify that on January 30 the foregoing act passed Second and Final Reading of the Seventeenth Congress of the Federated States of Micronesia, Third Regular Session, 2012, by a two-thirds vote of all the State delegations as required under article IX, section 20, of the Constitution of the Federated States of Micronesia.

A handwritten signature in black ink, reading "Isaac V. Figir".

Isaac V. Figir  
Speaker  
Congress of the  
Federated States of Micronesia

A handwritten signature in blue ink, reading "Liwiana Ramon Ioanis".

Liwiana Ramon Ioanis  
Chief Clerk  
Congress of the  
Federated States of Micronesia

SEVENTEENTH CONGRESS OF THE FEDERATED STATES OF MICRONESIA

SECOND SPECIAL SESSION, 2011

CONGRESSIONAL BILL NO. 17-71, C.D.1

**PUBLIC LAW No. 17-34**

AN ACT

To appropriate the sum of \$2,100,000 from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 2012, for the purpose of funding public projects and social programs in the States of Yap, Kosrae, Pohnpei and Chuuk, and for other purposes.

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

1       Section 1. The sum of \$2,100,000, or so much thereof as  
2 may be necessary, is hereby appropriated from the General Fund  
3 of the Federated States of Micronesia for the fiscal year  
4 ending September 30, 2012, for the purpose of funding public  
5 projects and social programs in the States of Yap, Kosrae,  
6 Pohnpei and Chuuk. The funds appropriated under this section  
7 shall be apportioned as follows:

8       Section 2. Of the sum of \$2,100,000 appropriated by this  
9 act, \$300,000 is apportioned for Yap State for public projects  
10 and social programs.

11	State of Yap .....	\$ 300,000
12	(1) Neighboring Islands Central High School	
13	supplemental funding to purchase vehicle .....	15,000
14	(2) Okau road development project .....	75,000
15	(3) Yap Catholic High School construction	210,000"

16       Section 3. Of the sum of \$2,100,000 appropriated by this  
17 act, \$300,000 is apportioned for Kosrae State for public  
18 projects and social programs.

19	State of Kosrae .....	300,000
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PUBLIC LAW No. 17-34

1 (1) At- Large ..... \$ 150,000

2 (a) Kosrae State subsidy for renovations and  
3 maintenance of Kosrae State Government buildings, community  
4 primary and secondary roads, sport facilities and water systems,  
5 PROVIDED that the funds shall be used as matching for

6 Infrastructure Maintenance Fund ..... \$ 125,000

7 ~~(b) Subsidy for four municipal~~  
8 ~~governments ..... \$ 40,000~~

9 ~~(c) Kosrae Broadcast equipment ..... \$ 10,000~~

10 (d) Rural Development (USDA)

11 matching for a vehicle for FSM Revenue Office ..... 10,000

12 (e) Kosrae farm road/drainage improvement 15,000

13 (2) Election District No. 1 ..... 150,000

14 (a) Kosrae High School lunch program 25,000

15 (b) B.A. degree program ..... 20,000

16 (c) Lelu ruin improvement project .. 5,000

17 (d) Youth social programs and activities 5,000

18 (e) Kosrae Special Parent Network (KSPN) 5,000

19 (f) Utwa-Mah water system ..... 5,000

20 (g) COM-FSM students grants/loans .. 10,000

21 (h) Woman Christian Associations ... 5,000

22 (i) Kosrae Tourism Office

23 promotion and travel ..... 5,000

24 ~~(j) Travel needs ..... \$ 15,000~~

25 Section 4. Of the sum of \$2,100,000 appropriated by this

1 act, \$600,000 is apportioned for Pohnpei State for public  
2 projects and social programs.

3	State of Pohnpei .....	\$ 600,000
4	(1) At-Large .....	150,000
5	(a) Road construction equipment	
6	purchase and rental .....	35,000
7	(b) Road construction	
8	(materials and tools) .....	35,000
9	(c) Aid to non-public high schools	
10	(Pohnpei State) .....	10,000
11	(d) Sidewalk project in Nett school	25,000
12	(e) School bus purchase, repair	
13	and related freight cost and port charges .....	15,000
14	(f) Scholarship (graduate	
15	school tuition assistance) .....	10,000
16	<del>(g) Leadership</del>	<del>15,000</del>
17	<del>conference/travel .....</del>	<del>15,000</del>
18	(h) Financial assistance for	
19	local produce markets .....	5,000
20	(i) Nett police vehicle matching ...	10,000
21	(2) Election District No. 1 .....	150,000
22	(a) Kapinle Youth .....	7,000
23	<del>(b) Election District No. 1, subsidy</del>	<del>30,000</del>
24	(c) Scholarship .....	5,000
25	(d) Road improvement .....	100,000

1	(e) St. Paul school .....	\$ 8,000
2	(3) Election District No. 2 .....	150,000
3	(a) Wone Elementary School road paving	50,000
4	(b) Lohd road paving .....	30,000
5	(c) Enipein Pah road maintenance ...	10,000
6	(d) Areu Powe road maintenance .....	10,000
7	<del>(e) Election District No. 2 subsidy</del>	<del>13,000</del>
8	(f) Kitti municipal government subsidy	5,000
9	(g) Executive branch of the	
10	Madolenihmw municipal government subsidy .....	5,000
11	(h) Purchase of vehicle for	
12	Election District No. 2 Office .....	7,000
13	(i) Purchase of construction	
14	materials (PVC Pipes and accessories) .....	5,000
15	(j) Purchase of coral fillings .....	5,000
16	(k) Youth sports activities .....	5,000
17	(l) Women and Senior citizens activities	5,000
18	(4) Election District No. 3 .....	150,000
19	(a) Roads improvement .....	35,000
20	(b) Woman associations	
21	financial assistance .....	15,000
22	(c) Youth groups sports	
23	activities and sports equipment .....	15,000
24	(d) Vehicle purchase for	
25	Election District No. 3 office .....	5,000

1	(e) Nett municipal government subsidy \$	15,000
2	(f) U municipal government subsidy .	15,000
3	(g) Mwoakilloa municipal	
4	government subsidy .....	5,000
5	(h) Pingelap municipal	
6	government subsidy .....	5,000
7	(i) Eirke road improvement .....	10,000
8	<del>(j) Election District No. 3 subsidy</del>	<del>20,000</del>
9	(k) Students financial assistance ..	10,000"
10	Section 5. Of the sum of \$2,100,000 appropriated by this	
11	act, \$900,000 is apportioned for Chuuk State for public	
12	projects and social programs.	
13	State of Chuuk .....	900,000
14	(1) At-Large .....	150,000
15	(a) Chuuk Non-Government	
16	Organizations subsidy .....	25,000
17	(b) Contribution to Chuuk Museum	
18	construction .....	10,000
19	(c) Partial payment on	
20	water source lease (Nefo) .....	10,000
21	(d) Roads/seawalls/bridges	
22	improvement and beautification .....	20,000
23	(e) Low Income Housing subsidy .....	10,000
24	(f) Chuuk Sports Activities/Events	
25	and Infrastructures .....	5,000

1	(g) School graduations and related	
2	activities/ Youth Programs .....	\$ 10,000
3	(h) Contributions/ Assistance	
4	to State, Municipal and Community events,	
5	programs and activities .....	15,000
6	<del>(i) Reimbursement payment for</del>	<del>20,000</del>
7	<del>POL and Charters .....</del>	<del>20,000</del>
8	<del>(j) Social Security outstanding</del>	<del>10,000</del>
9	<del>premium subsidy .....</del>	<del>10,000</del>
10	(k) Tonoas Municipal subsidy .....	5,000
11	<del>(l) CSCIP (administrative</del>	<del>10,000</del>
12	<del>support services) .....</del>	<del>10,000</del>
13	(2) Election District No. 1 .....	150,000
14	(a) Solar system project .....	50,000
15	(b) Mortlocks Goodwill games .....	30,000
16	(c) Schools and dispensaries	
17	improvement and/or matching fund .....	15,000
18	<del>(d) Transportation needs .....</del>	<del>5,000</del>
19	(e) Mortlocks projects related	
20	freight costs .....	5,000
21	(f) Entrepreneurship and	
22	business start up .....	15,000
23	(g) Mortlock Island Development	
24	Authority subsidy .....	10,000
25	(h) Students financial assistance ..	10,000

1	(i) Faith-walk Christian college subsidy \$	5,000
2	(j) Communication system project ...	5,000
3	(3) Election District No. 2 .....	150,000
4	(a) Rural roads rehabilitation .....	50,000
5	<del>(b) Northern Namoneas Social</del>	<del>55,000</del>
6	<del>and Economic Development .....</del>	<del>55,000</del>
7	(c) Muncipal government	
8	subsidies for three municipal governments:	
9	(i) Weno Municipality .....	25,000
10	(ii) Fono Municipality .....	10,000
11	(iii) Piis-Paneu Municipality ...	10,000
12	(4) Election District No. 3 .....	150,000
13	(a) Southern Namoneas Development	
14	Authority subsidy .....	25,000
15	<del>(b) Office space rental (SNDA) .....</del>	<del>5,000</del>
16	<del>(c) Land transportation .....</del>	<del>5,000</del>
17	(d) Southern Namoneas community	
18	halls repair/renovation .....	25,000
19	(e) Fishing project .....	30,000
20	<del>(f) POL and Charter .....</del>	<del>10,000</del>
21	(g) Manuku dispensary project .....	5,000
22	(h) Low income housing subsidy .....	25,000
23	(i) Medical assistance to	
24	non-insured patients .....	5,000
25	<del>(j) CSCIP subsidy .....</del>	<del>5,000</del>

1	(k) Southern Namoneas cultural	
2	celebration/activities .....	\$ 5,000
3	(l) Senior citizens financial	
4	assistance/contributions .....	5,000
5	(5) Election District No. 4 .....	150,000
6	(a) Fishing project .....	30,000
7	(b) Low income housing subsidy .....	30,000
8	(c) Students financial assistance ..	10,000
9	(d) Student/farmers land transportation	15,000
10	<del>(e) Leadership (State, municipal and</del>	<del>25,000</del>
11	<del>traditional) exposure and travel .....</del>	<del>25,000</del>
12	(f) Medical referral and	
13	transportation cost of human remains .....	10,000
14	(g) FDA contractual services and	
15	administration cost .....	10,000
16	(h) Sewing project .....	10,000
17	<del>(i) CSCIP subsidy .....</del>	<del>5,000</del>
18	(j) Eipweipw fishing market .....	5,000
19	(6) Election District No. 5 .....	150,000
20	(a) Sea cucumber farm project .....	30,000
21	(b) Fishing projects .....	60,000
22	<del>(c) Office rental .....</del>	<del>5,000</del>
23	(d) Solar system project .....	5,000
24	(e) Farming projects .....	7,000
25	(f) students financial assistance	

1	and tuition debts payment at COM-FSM .....	\$	10,000
2	(g) Transportation needs .....		8,000
3	(h) Contractual service for		
4	short-term contract .....		7,000
5	(i) Municipal government vehicle purchase		18,000"

6       Section 6. Allotment and management of funds and lapse  
7 date. All funds appropriated by this act shall be allotted,  
8 managed, administered and accounted for in accordance with  
9 applicable laws, including, but not limited to, the Financial  
10 Management Act of 1979. The allottee shall be responsible for  
11 ensuring that these funds, or so much thereof as may be  
12 necessary, are used solely for the purpose specified in this  
13 act, and that no obligations are incurred in excess of the sum  
14 appropriated. The allottee of the funds appropriated under  
15 sections 2 through 5 of this act shall be the President of the  
16 Federated States of Micronesia, EXCEPT THAT the allottee of  
17 funds appropriated under section 2 of this act shall be the  
18 Governor of Yap State, the allottee of funds appropriated under  
19 subsections 4(3) (a) and (b) shall be the Pohnpei  
20 Transportation Authority, the allottee of funds appropriated  
21 under subsection 5 (1) shall be the Governor of Chuuk State,  
22 the allottee of funds appropriated under subsection 5(2) shall  
23 be the Mortlock Islands Development Authority and the allottee  
24 of funds appropriated under subsection 5(6)(f) shall be the  
25 President of COM-FSM. The authority of the allottee to

1 obligate funds appropriated by this act shall lapse on  
2 September 30, 2014.

3 Section 7. This act shall become law upon approval by the  
4 President of the Federated States of Micronesia or upon its  
5 becoming law without such approval.

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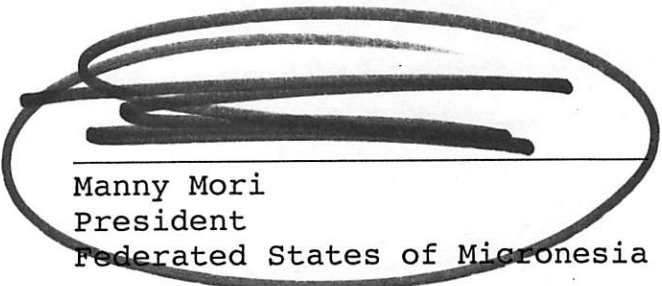
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February 9, 2012

  
Manny Mori  
President  
Federated States of Micronesia