

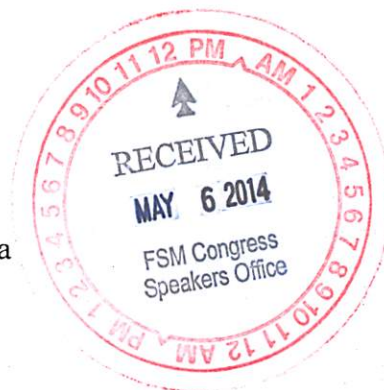


The President
Palikir, Pohnpei
Federated States of Micronesia

PRESIDENTIAL COMM. NO. 18262
FSM CONGRESS

May 6, 2014

The Honorable Dohsis Halbert
Speaker
Eighteenth Congress of the Federated States of Micronesia
Palikir, Pohnpei, FM 96941



Dear Speak Halbert:

I am returning the following Congressional Act, which I have signed to become Public Law No.18-57:

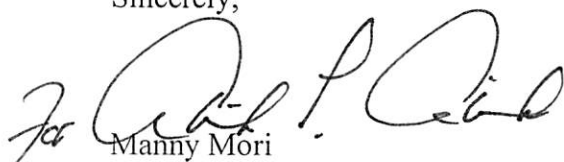
Congressional Act No. 18-54, entitled: "AN ACT TO FURTHER AMEND SECTIONS 303 AND 306 OF TITLE 55 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA, AS AMENDED BY PUBLIC LAWS NOS. 13-93. 18-12, AND 18-25, TO MODIFY THE DIVISION FORMULA FOR COMPACT FUNDS, AND FOR OTHER PURPOSES."

I thank the Congress for passing this Act that reduces the National Government share of Compact Funds to zero percent (0%) commencing with Fiscal Year 2015 and increases the shares to the States under a new distribution formula that applies after JEMCO funds the College of Micronesia. The Act also ensures that the zero percent (0%) funding of the National Government's share of Compact Funds continues for future fiscal years, except as to Supplemental Education Grants received under Section 105 of the Amended Compact.

This reduction of the National Government's reliance on grants encourages self-sufficiency and efficiencies in our National Government, which furthers the interests and well-being of our people.

With warm personal regards, I remain,

Sincerely,


Manny Mori
President

Enclosure:

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



CONGRESS OF THE FEDERATED STATES OF MICRONESIA

P.O. Box PS 3
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Pohnpei State, FM 96941
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Office of the Chief Clerk

PRESIDENTIAL COMM. NO. 18-262
FSM CONGRESS

April 03, 2014

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. 18-54, "AN ACT TO FURTHER AMEND SECTIONS 303 AND 306 OF TITLE 55 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA, AS AMENDED BY PUBLIC LAWS NOS. 13-93, 18-12, AND 18-25, TO MODIFY THE DIVISION FORMULA FOR COMPACT FUNDS, AND FOR OTHER PURPOSES", which was passed by the Eighteenth Congress of the Federated States of Micronesia, Third Special Session, 2014, by a two-thirds vote of all the State delegations as required and as duly certified.

Sincerely yours,

A handwritten signature in blue ink, appearing to read "Liwiana Ramon Ioanis".

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

Enclosures



PUBLIC LAW No. 18- 57

EIGHTEENTH CONGRESS OF THE
FEDERATED STATES OF MICRONESIA
THIRD SPECIAL SESSION
MARCH 24 – APRIL 02, 2014

PRESIDENTIAL COMM. NO. 18262
FSM CONGRESS

An Act

TO FURTHER AMEND SECTIONS 303 AND 306 OF TITLE 55 OF THE CODE OF THE
FEDERATED STATES OF MICRONESIA, AS AMENDED BY PUBLIC LAWS NOS. 13-93,
18-12, AND 18-25, TO MODIFY THE DIVISION FORMULA FOR COMPACT FUNDS,
AND FOR OTHER PURPOSES.

INTRODUCED BY SENATOR: DOHSIS HALBERT

DATE: MARCH 24, 2014

REFERRED TO: COMMITTEE ON WAYS AND MEANS

S.C.R. NO. 18-128 – MARCH 27, 2014

FIRST READING: MARCH 28, 2014

SECOND READING: MARCH 31, 2014

A handwritten signature in blue ink, appearing to read "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. 18-262
FSM CONGRESS

ACT NO. 18-54

(CONGRESSIONAL BILL NO. 18-143)

We hereby certify that on March 31 the foregoing act passed Second and Final Reading of the Eighteenth Congress of the Federated States of Micronesia, Third Special Session, 2014, 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.


Dohsis Halbert
Speaker
Congress of the
Federated States of Micronesia


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

EIGHTEENTH CONGRESS OF THE FEDERATED STATES OF MICRONESIA

THIRD SPECIAL SESSION, 2014

CONGRESSIONAL BILL NO. 18-143

PUBLIC LAW No. 18- 57

AN ACT

To further amend sections 303 and 306 of title 55 of the Code of the Federated States of Micronesia, as amended by Public Laws Nos. 13-93, 18-12, and 18-25, to modify the division formula for Compact funds, and for other purposes.

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

1 Section 1. Purpose. The purpose of this act is to reduce
2 the National Government share of Compact Funds, after funding the
3 College of Micronesia, from five percent (5%) to zero percent
4 (0%). The current Distribution Formula for FY2014 is:

5	Chuuk	40.11%
6	Kosrae	11.50
7	Pohnpei	26.72
8	Yap	16.67
9	National Government	5.00

10 This act would institute a new Distribution Formula for
11 FY2015 and each year thereafter, except Supplemental Education
12 Grants under Section 105 of the Amended Compact, of:

13	Chuuk	42.22%
14	Kosrae	12.10
15	Pohnpei	28.13
16	Yap	17.55
17	National Government	0.00

18 The above formula would apply after JEMCO funds the College

1 of Micronesia.

2 These distributions are proportionately based on the
3 Distribution Formula that was in effect for Fiscal Years 2007 to
4 2013, as agreed to in EPIC Resolution #2005-3-01:

5	Chuuk	38.00%
6	Kosrae	10.90
7	Pohnpei	25.31
8	Yap	15.79
9	National Government	10.00

10 Section 2. Section 303 of Title 55 of the Code of the
11 Federated States of Micronesia, as amended by Public Laws Nos.
12 13-93, 18-12, and 18-25, is hereby further amended to read as
13 follows:

14 "Section 303. Division of Compact Funds among National
15 and State Governments.

16 (1) The Compact Budget Requests for Fiscal Years 2005
17 and 2006 of the National Government and of each State
18 Government under section 305 of this chapter shall be
19 based upon a division of Compact funds in the following
20 proportions:

21	Chuuk	38.57%
22	Kosrae	11.06
23	Pohnpei	25.69
24	Yap	16.03
25	National Government	8.65

(2) For Fiscal Years 2007 to 2013, the chief executives of the National Government and each of the State Governments shall have the authority to enter, from time to time, into one or more agreements setting forth the proportionate amounts of Compact funds that shall be the basis of each Government's Compact Budget Request under sections 305 and 306 of this chapter, provided that the National Government's proportionate amount of Compact funds for each Fiscal Year shall be ten percent (10%) of the estimated level of Compact funding for that year. An agreement regarding the division of Compact funds, other than the National Government's ten percent (10%) share, may be limited to a specified period of time and shall only be effective when signed by the chief executive of each and every Government.

(3) The Compact Budget Requests for Fiscal Years 2014 of the National Government and of each State Government under section 305 of this chapter shall be based upon a division of Compact funds in the following proportions, excepting Supplemental Education Grants under Section 105 of the Amended Compact:

Chuuk	40.11%
Kosrae	11.50
Pohnpei	26.72

1	Yap	16.67
2	National Government	5.00
3	(4) The Compact Budget Requests for Fiscal Years 2015	
4	and thereafter of the National Government and of each	
5	State Government under section 305 of this chapter shall	
6	be based upon a division of Compact funds in the	
7	following proportions, except Supplemental Education	
8	Grants under section 105 of the Amended Compact:	
9	Chuuk	42.22%
10	Kosrae	12.10
11	Pohnpei	28.13
12	Yap	17.55
13	National Government	0.00

14 The above formula applies after JEMCO funds the College
15 of Micronesia.

16 (5) For Fiscal Years 2016 and thereafter, the chief
17 executives of the National Government and each of the
18 State Governments shall have the authority to enter,
19 from time to time, into one or more agreements setting
20 forth the proportionate amounts of Compact funds that
21 shall be the basis of each Government's Compact Budget
22 Request under sections 305 and 306 of this chapter,
23 provided that the National Government's proportionate
24 amount of Compact funds for each Fiscal Year, after
25 funding the College of Micronesia, shall be zero percent

1 (0%) of the estimated level of Compact funding for that
2 year, excepting Supplemental Education Grants under
3 Section 105 of the Amended Compact. An agreement
4 regarding the division of Compact funds, other than the
5 National Government's zero percent (0%) share, may be
6 limited to a specified period of time and shall only be
7 effective when signed by the chief executive of each and
8 every Government."

9 Section 3. Section 306 of Title 55 of the Code of the
10 Federated States of Micronesia, as amended by Public Laws Nos.
11 13-93, 18-12, and 18-25, is hereby further amended to read as
12 follows:

13 "Section 306. Plan For the Division of Annual Economic
14 Assistance.


15 (1) The President shall consolidate the Compact
16 Budget Requests of all of the States and the National
17 Government Compact Budget Request, conforming with the
18 requirements of section 103 of this title, into the Plan
19 for the Division of Annual Economic Assistance. The
20 National Government Compact Budget Request included in
21 the Plan for the Division of Annual Economic Assistance
22 shall constitute, for Fiscal Year 2007 and each fiscal
23 year thereafter, ten percent (10%) of the estimated
24 level of Compact funding for that year. For Fiscal Year
25 2014, the National Government Compact Budget Request

1 included in the Plan for the Division of Annual Economic
2 Assistance shall constitute five percent (5%) of the
3 estimated level of Compact funding for that year, except
4 Supplemental Education Grants under Section 105 of the
5 Amended Compact. For Fiscal Year 2015 and each fiscal
6 year thereafter, after funding the College of
7 Micronesia, the National Government Compact Budget
8 Request included in the plan for the Division of the
9 Annual Economic Assistance shall constitute zero percent
10 (0%) of the estimated level of Compact funding for that
11 year, except Supplemental Education Grants under Section
12 105 of the Amended Compact. No modification to a
13 State's Compact Budget Request shall be made in the
14 consolidation process without the prior consent of the
15 relevant State Government, except to the extent that
16 such Compact Budget Request exceeds the estimated levels
17 of Compact funding provided to that State Government
18 pursuant to section 304 of this chapter.

19 (2) No later than July 3 of the year preceding a
20 given Fiscal Year, the President shall submit the Plan
21 for the Division of Annual Economic Assistance to the
22 Government of the United States and shall transmit a
23 copy to Congress and to each State Government."
24
25

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

May 6th, 2014

For 
Manny Mori
President
Federated States of Micronesia