January 30, 2014

The Honorable Dohsis Halbert
Speaker
18th FSM Congress
Palikir, Pohnpei FM 96941

Dear Speaker Halbert:

I am returning the following Congressional Acts, which I have signed to become public laws as follows:

Congressional Act No. 18-36 as Public Law No. 18-36: “AN ACT TO FURTHER AMEND PUBLIC LAW NO. 17-36, AS AMENDED BY PUBLIC LAWS NOS. 17-48, 17-78 AND 17-87, BY AMENDING SECTIONS 4 AND 6 THEREIN, FOR THE PURPOSE OF CHANGING THE USE AND ALLOTTEE OF CERTAIN FUNDS PREVIOUSLY APPROPRIATED TO FUND PUBLIC PROJECTS AND SOCIAL PROGRAMS IN THE STATE OF Pohnpei and Chuuk, and for other purposes.”

Congressional Act No. 18-37 as Public Law No. 18-37: “AN ACT TO FURTHER AMEND PUBLIC LAW NO. 15-80, AS AMENDED BY PUBLIC LAWS NOS. 16-04 AND 17-53, BY AMENDING SECTIONS 1 AND 2 THEREOF, FOR THE PURPOSE OF CHANGING THE USE AND ALLOTTEE OF CERTAIN FUNDS PREVIOUSLY APPROPRIATED THEREIN FOR PUBLIC PROJECTS AND SOCIAL PROGRAMS IN THE STATE OF Chuuk, and for other purposes.”

Congressional Act No. 18-41 as Public Law No. 18-38: “AN ACT TO FURTHER AMEND PUBLIC LAW NO. 18-05, AS AMENDED BY PUBLIC LAWS NOS. 18-07, 18-14 AND 18-31, BY AMENDING SECTIONS 3, 4 AND 6 THEREOF, FOR THE PURPOSE OF CHANGING THE USE AND ALLOTTEE OF CERTAIN FUNDS PREVIOUSLY APPROPRIATED THEREIN TO FUND PUBLIC PROJECTS AND SOCIAL PROGRAMS IN THE STATES OF Yap and Pohnpei, and for other purposes.”

Congressional Act No. 18-36 changes an appropriation for the public project for Pohnpei ED#1 and shifts it to a new line item. For Chuuk, the designated allottee of funds for ED#2 is changed from the Executive Director of Northern Namoneas Social and Economic Development Authority to the Governor of Chuuk.

Congressional Act No. 18-37 changes the amounts of certain public projects and social programs for Chuuk ED #2 and inserts a new Fishing Project. The designation of allottee for Chuuk is also changed from the CSCIP to the various authorities.

In Congressional Act No. 18-41, funding for the Yap Congressional Delegation Citizen Outreach Program is shifted to the Yap State Copra Subsidy Supplemental.
I reviewed all of the above Acts, which share the following common characteristics:

1. There were no public hearings or committee reports.

2. There have been multiple amendments to the original appropriations. The multiple amendments result in confusion as to the true intention of Congress for the public projects and programs, and create difficulties in implementation of the projects and programs, such as tracking the multiple changes.

3. There were changes of recipients and purposes, in most of the Acts, without clear justification or reasoning.

The above Acts are further examples of defective appropriation of public projects and social programs. As I stated in prior transmittals, it would be most helpful if Congress would set a policy limiting subsequent amendments to a maximum of only three per Act in order to avoid the problems as outlined above.

Notwithstanding the defects stated above and in view of my agreement in our meeting with Congress held earlier this week to move forward on the implementation of appropriations for public projects currently passed or being passed by Congress, I remind Congress that I will be forced to hold up implementation of subsequent public projects, if they fail to have enough specificity, fail to state the purpose, etc., or violate the Udot case, in order to obtain further clarification and direction from Congress to assure effective and efficient implementation. Therefore, I continue to urge Congress to make the necessary changes to improve the appropriation process that is impacting effective implementation of public projects, including the holding of pre-passage consultations with constituents, holding public hearings, and providing committee reports.

With warm personal regards, I remain,

Sincerely,

Manny Mori  
President

xc:  Chief Justice, FSM Supreme Court  
     Secretary, Department Justice  
     Director, Office SBOC  
     Legislative Counsel, CFSM  
     Library, CFSM  
     PIO, FSM
January 27, 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. 18-41, "AN ACT TO FURTHER AMEND PUBLIC LAW NO. 18-05, AS AMENDED BY PUBLIC LAWS NOS. 18-07, 18-14 AND 18-31, BY AMENDING SECTIONS 3, 4 AND 6 THEREOF, FOR THE PURPOSE OF CHANGING THE USE AND ALLOTTEE OF CERTAIN FUNDS PREVIOUSLY APPROPRIATED THEREIN TO FUND PUBLIC PROJECTS AND SOCIAL PROGRAMS IN THE STATES OF YAP AND POHNPEI, AND FOR OTHER PURPOSES", which was passed by the Eighteenth Congress of the Federated States of Micronesia, Third Regular Session, 2014, by a two-thirds vote of all the State delegations as required and as duly certified.

Sincerely yours,

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

Enclosures
An Act

TO FURTHER AMEND PUBLIC LAW NO. 18-05, AS AMENDED BY PUBLIC LAWS NOS. 18-07, 18-14 AND 18-31, BY AMENDING SECTIONS 3, 4 AND 6 THEREOF, FOR THE PURPOSE OF CHANGING THE USE AND ALLOTTEE OF CERTAIN FUNDS PREVIOUSLY APPROPRIATED THEREIN TO FUND PUBLIC PROJECTS AND SOCIAL PROGRAMS IN THE STATES OF YAP AND Pohnpei, AND FOR OTHER PURPOSES.

INTRODUCED BY SENATOR: BERNEY MARTIN
DATE: JANUARY 10, 2014

REFERRED TO: COMMITTEE ON WAYS AND MEANS
WITHDRAWN – JANUARY 15, 2014
FIRST READING: JANUARY 15, 2014
SECOND READING: JANUARY 22, 2014

Liwiana Ramon Ioanis
Chief Clerk, FSM Congress
ACT NO. 18-41

(CONGRESSIONAL BILL NO. 18-116)

We hereby certify that on January 22 the foregoing act passed Second and Final Reading of the Eighteenth Congress of the Federated States of Micronesia, Third Regular 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
AN ACT

To further amend Public Law No. 18-05, as amended by Public Laws Nos. 18-07, 18-14 and 18-31, by amending sections 3, 4 and 6 thereof, for the purpose of changing the use and allottee of certain funds previously appropriated therein to fund public projects and social programs in the States of Yap and Pohnpei, and for other purposes.

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

1. Section 1. Section 3 of Public Law No. 18-05, as amended by Public Laws Nos. 18-07 and 18-14, is hereby further amended to read as follows:

   "Section 3. Of the sum of $2,500,000 appropriated by this act, $400,000 is apportioned for Yap State for public projects and social programs.

   (1) State of Yap ......................... $ 400,000

   (a) Yap Catholic High School

   construction supplement grant .............. 150,000

   (b) Outer Island FADs

   deployment supplemental ..................... 2,257

   (c) Woleai atoll fishing nets ...... 15,000

   (d) Island Mortuary Services debt payment 20,000

   (e) Council of Tamol office (equipment, supplies and air conditioners) .............. 5,000

   (f) Outer Islands’ women organizations:

   (i) Precinct fifteenth .......... 5,000

   (ii) Precinct fourteenth .......... 5,000

   (iii) Precinct thirteenth ....... 5,000"
(iv) Precinct twelve ........... $ 5,000
(g) Piig Elementary school fund raising 1,000
(h) Falalap, Woleai Elementary school fund raising ...................... 1,743
(i) Elato water catchment improvement 55,000
(j) Yap Congressional Delegation Citizen outreach program ............... -0-
(k) Supplemental funding for Repair and upgrade of Tegailap and
Seliap Islands community centers .......... 27,000
(l) Supplemental funding for Ngulog road and Men’s house .................. 16,150
(m) Daboch community building renovation 35,000
(n) Wottegai road supplemental ..... 4,000
(o) Satawal boat and motor supplemental 5,000
(p) Yochafang choir musical instrument 2,500
(q) Yap State Copra Subsidy Supplemental ................................. 40,350"

Section 2. Section 4 of Public Law No. 18-05, as amended by Public Laws Nos. 18-07 and 18-31, is hereby further amended to read as follows:

"Section 4. Of the sum of $2,500,000 appropriated by this act, $700,000 is apportioned for Pohnpei State for public projects and social programs.

State of Pohnpei ......................... 700,000
<table>
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<tr>
<th></th>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>1</td>
<td>(1) Pohnpei at Large</td>
<td>$205,000</td>
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<tr>
<td></td>
<td>(a) Pohnpei secondary road improvement</td>
<td>55,000</td>
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<tr>
<td></td>
<td>(b) Sport facilities improvement</td>
<td>50,000</td>
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<tr>
<td></td>
<td>(c) Pohnpei Sports (equipment, supplies, umpire fees)</td>
<td>25,000</td>
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<td>(d) Pohnpei roads and bridges improvement</td>
<td>25,000</td>
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<td></td>
<td>(e) FSM Constituency visit by Pohnpei Delegation</td>
<td>25,000</td>
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<td></td>
<td>(f) Hosting of traditional/civic leaders’ conference/travel, including</td>
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<td></td>
<td>from foreign governments and states</td>
<td>15,000</td>
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<td>(g) Consumers Association</td>
<td>10,000</td>
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<tr>
<td>14</td>
<td>(2) Election District No. 1</td>
<td>$165,000</td>
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<td></td>
<td>(a) Community water extension/sanitary toilet facilities</td>
<td>53,000</td>
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<tr>
<td></td>
<td>(b) Contractual Service Reimbursement to Pohnpei State Delegation</td>
<td>3,000</td>
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<tr>
<td></td>
<td>(c) Elementary Schools subsidy in Election District No. 1, Pohnpei State</td>
<td>20,000</td>
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<td></td>
<td>(d) Dispensaries subsidy in Election District No. 1, Pohnpei State</td>
<td>5,000</td>
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<tr>
<td></td>
<td>(e) Graduate students’ outstanding debts</td>
<td>7,000</td>
</tr>
<tr>
<td></td>
<td>(f) Social Security Premium contribution</td>
<td>10,000</td>
</tr>
<tr>
<td></td>
<td>(g) Kakao nursery</td>
<td>15,000</td>
</tr>
</tbody>
</table>
(h) Small business/entrepreneurship start up $5,000
(i) Medical referral 10,000
(j) Student financial assistance 37,000
(3) Election District No. 2 165,000
   (a) Rohi/Rehntu road paving 35,000
   (b) Paies-Kitti water system 10,000
   (c) Nansalohi-Madol water system 10,000
   (d) Soamwoai-Kitti water system 10,000
   (e) Kinakapw road improvement 5,000
   (f) Rehntu (Nintok) road improvement 30,000
   (g) Pohnpaip (Nanmand) road improvement 5,000
   (h) Moailap coastal access road improvement 5,000
   (i) Pohnlangas Ice Plant road improvement 5,000
   (j) Police vehicle purchase supplement 10,000
   (k) Drilling Rig and Accessories 5,000
   (l) Students financial assistance 5,000
   (m) Purchase of PVC pipes and materials 5,000
   (n) Election District No. 2 administrative support services 20,000
   (o) Kitti Judiciary branch fencing 5,000
(4) Election District No. 3 165,000
   (a) Care Micronesia Foundation 25,000
   (b) Election District No. 3 administrative support services 15,000
(c) Medical referral assistance ... $ 10,000
(d) Youth activities and supplies .. 15,000
(e) Road repair and beautification . 70,000
(f) Extension of power lines to
   rural areas/farm roads ................. 30,000"

Section 3. Section 6 of Public Law No. 18-05, as amended by Public Law No. 18-07, is hereby further amended to read as follows:

"Section 6. Allotment and management of funds and lapse date. All funds appropriated by this act shall be allotted, managed, administered and accounted for in accordance with applicable laws, including, but not limited to, the Financial Management Act of 1979. The allottee shall be responsible for ensuring that these funds, or so much thereof as may be necessary, are used solely for the purpose specified in this act, and that no obligations are incurred in excess of the sum appropriated. The allottee of the funds appropriated under section 3 of this act shall be the Governor of Yap State. The allottee of funds appropriated under sections 2 and 4 of this act shall be the President of the Federated States of Micronesia or his designee, EXCEPT THAT the allottee of funds appropriated under subsection 4(3)(a) of this act shall be the Pohnpei Transportation
Authority. The allottee of funds appropriated under subsections 5(1) and 5(3) of this act shall be the Governor of Chuuk State or his designee. The allottee of funds appropriated under subsection 5(2) of section 5 of this act shall be the Mortlock Islands Development Authority. The allottee of funds appropriated under subsection 5(4) of section 5 of this act shall be the Southern Namoneas Development Authority. The allottee of funds appropriated under subsection 5(5) of section 5 of this act shall be the Faichuk Development Authority. The allottee of funds appropriated under subsection 5(6) of section 5 of this act shall be the Northwest Island Development Authority. The authority of the allottee to obligate funds appropriated by this act shall lapse on September 30, 2014."
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.

January 30th, 2014

Manny Mori
President
Federated States of Micronesia