July 25, 2014

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

Dear Speaker Halbert:

I am returning the following Congressional Act, which I have signed to become Public Law No. 18-76:

Congressional Act No. 18-88, entitled: "AN ACT TO FURTHER AMEND PUBLIC LAW NO. 18-15, AS AMENDED BY PUBLIC LAWS NOS. 18-26, 18-14, 18-54 AND 18-62, BY AMENDING SECTIONS 8 AND 9 TO CHANGE THE USE OF CERTAIN FUNDS PREVIOUSLY APPROPRIATED, AND FOR OTHER PURPOSES."

I thank Congress for changing the purpose of the appropriation for slipping our national patrol boats to include the FSS Independence. This change will allow the FSS Independence to undergo its necessary maintenance this year as planned.

Changing the purpose of the $2,000,000 originally appropriated to assist in the disaster response of the grounding by the Ping Da 7 vessel may place the State of Pohnpei in a quandary as to how to proceed without the funding. Regardless of this change in purpose, the National Government should continue to assist Pohnpei State in resolving the Ping Da 7 vessel grounding.

As for the new purpose of the $2,000,000, the absence of consultation, public hearing, and committee report on the Act points to the lack of coordination between the National Government and the State of Pohnpei to address the power outages affecting Pohnpei residents and businesses. We are aware that Petro Corp and CFC donated to Pohnpei power generators that proved inadequate, so the need remains. There is solar and hydro power, which may help. But then again, the State of Pohnpei should have been involved in the discussion in order to find out the nature of its need.

Moreover, I am concerned of late response to Pohnpei’s need for power generator. We requested funding for generators in the previous fiscal years but the requests were not considered. Due to the delayed reaction, the need could be more acute this time around, which makes it even more imperative to hold public hearing and consultation.

Sincerely,

Manny Mori
President

Enclosure:

xc: Chief Justice, FSM Supreme Court
Secretary, Department of Justice
Director, SBOC
Legislative Counsel, CFSM
Library, CFSM
FSM PIO
July 15, 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. 18-88, "AN ACT TO FURTHER AMEND PUBLIC LAW NO. 18-15, AS AMENDED BY PUBLIC LAWS NOS. 18-26, 18-41, 18-54 AND 18-62, BY AMENDING SECTIONS 8 AND 9 TO CHANGE THE USE OF CERTAIN FUNDS PREVIOUSLY APPROPRIATED, AND FOR OTHER PURPOSES. ", which was passed by the Eighteenth Congress of the Federated States of Micronesia, Fourth Special Session, 2014, 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
An Act

TO FURTHER AMEND PUBLIC LAW NO. 18-15, AS AMENDED BY PUBLIC LAWS NOS. 18-26, 18-41, 18-54 AND 18-62, BY AMENDING SECTIONS 8 AND 9 TO CHANGE THE USE OF CERTAIN FUNDS PREVIOUSLY APPROPRIATED, AND FOR OTHER PURPOSES.

INTRODUCED BY SENATOR: PETER M. CHRISTIAN
DATE: JULY 6, 2014

REFERRED TO: COMMITTEE ON WAYS AND MEANS
WITHDRAWN – JULY 8, 2014
FIRST READING: JULY 9, 2014
SECOND READING: JULY 12, 2014

Liwiana Ramon Ioanes
Chief Clerk, FSM Congress
ACT NO. 18-88

(CONGRESSIONAL BILL NO. 18-197, C.D.1)

We hereby certify that on July 12 the foregoing act passed Second and Final Reading of the Eighteenth Congress of the Federated States of Micronesia, Fourth 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
AN ACT

To further amend PL. No. 18-15, as amended by Public Laws Nos. 18-26, 18-41, 18-54 and 18-62, by amending sections 8 and 9 to change the use of certain funds previously appropriated, and for other purposes.

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

Section 1. Section 8 of Public Law No. 18-15, as amended by Public Laws Nos. 18-26, 18-41, 18-54 and 18-62 is hereby further amended to read as follows:

"Section 8. Grants, Subsidies and Contributions. The sum of $12,773,198, 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, 2014 for the following grants, subsidies and contributions during fiscal year 2014. Of the total amount of funds appropriated herein, $-0- shall be deemed to come from funds available under the Amended Compact from the education sector. The sum appropriated by this section shall be apportioned as follows:

(1) Office of the President.

(a) Asia-Pacific Broadcasting Dev. (AIBD) $ 4,500

(b) Asia-Pacific Broadcasting Union (ABU) 800

(c) Pacific Island News Assn. (PINA) 350

(2) Department of Foreign Affairs."
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<tr>
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<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>1</td>
<td>(a) Pacific Is. Forum Secretariat</td>
<td>$46,000</td>
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<td>(b) Secretariat of the Pacific Community (SPC)</td>
<td>$56,000</td>
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<tr>
<td></td>
<td>(c) UN Membership Fee</td>
<td>$70,000</td>
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<td>(d) UN Economic and Social Commission for Asia and the Pacific (ESCAP)</td>
<td>$5,000</td>
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<td></td>
<td>(e) East West Center</td>
<td>$5,000</td>
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<tr>
<td></td>
<td>(f) Cotonou Membership Fee</td>
<td>$12,000</td>
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<tr>
<td></td>
<td>(g) 25th Anniversary FSM-Japan</td>
<td>$25,000</td>
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<td></td>
<td>(h) Compact of Free Association</td>
<td></td>
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<tr>
<td>11</td>
<td>Historical Project</td>
<td>$150,000</td>
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<tr>
<td></td>
<td>(i) SPC Office Rental</td>
<td>$45,000</td>
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<tr>
<td></td>
<td>(j) IOM/MRC</td>
<td>$190,000</td>
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<td></td>
<td>(k) Micronesian Presidents</td>
<td></td>
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<tr>
<td>15</td>
<td>Summit – July 2014</td>
<td>$10,000</td>
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<td><em>(3) Department of Finance and Administration.</em></td>
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<td>17</td>
<td>(a) OCO Membership Fee</td>
<td>$9,000</td>
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<td>(b) Maintenance Fee for FMIS</td>
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<td><em>(4) Department of Resources and Development.</em></td>
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<td>(a) Pacific Islands Development Program</td>
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<td>21</td>
<td>(b) Forum Fisheries</td>
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<td>22</td>
<td>(c) UNDP</td>
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<td>23</td>
<td>(d) South Pacific Applied Geoscience Comm. (SOPAC)</td>
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<td>(e) Pacific Asia Travel Association</td>
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<td>Description</td>
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<td>1</td>
<td>(f) Micronesian Challenge Endowment $</td>
<td>50,000</td>
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<td>(g) Western Forestry Leadership Coalition</td>
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<td>(h) Food Agriculture Organization (FAO)</td>
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<td>(i) Matching for SPC Projects</td>
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<td>5</td>
<td>(j) Micronesian Challenge</td>
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<td>6</td>
<td>(k) Micronesian Cruise Assoc</td>
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<td>7</td>
<td>(l) International Animal Health Organization (OIE)</td>
<td>23,000</td>
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<td>8</td>
<td>(m) SPC Site Rental</td>
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<td>9</td>
<td>(n) IRENA</td>
<td>250</td>
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<td>10</td>
<td>(o) Micronesia Trade Cmte</td>
<td>30,000</td>
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<td>11</td>
<td>(p) Convention on Biological Diversity (CBD)</td>
<td>1,000</td>
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<tr>
<td>12</td>
<td>(q) FSM performers to the Confolens festival</td>
<td>75,000</td>
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<tr>
<td>13</td>
<td>(r) Tourism /air services promotion</td>
<td>10,000</td>
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<tr>
<td>14</td>
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<td>15</td>
<td>(5) Department of Health and Social Affairs</td>
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<tr>
<td>16</td>
<td>(a) UN Fund for Population Activity (UNFPA)</td>
<td>3,000</td>
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<td>17</td>
<td>(b) World Health Organization (WHO)</td>
<td>4,000</td>
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<td>18</td>
<td>(c) National Board of Nursing &amp; Med Licensing</td>
<td>20,000</td>
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<td>19</td>
<td>(d) Pacific Islands Health Officers Association (PIHOA)</td>
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<td>20</td>
<td>(e) FSM Amateur Sports Association</td>
<td>20,000</td>
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<td>21</td>
<td>(f) Association of Territorial</td>
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1. Health Organization ....................... $ 7,000
2. (g) FSM Red Cross ....................... 70,000
3. (h) UNICEF (vaccines) ................. 20,000
4. (6) Department of Education.
   (a) Aid for Non-Public School .......... 500,000
   (b) Financial Assistance to FSM
    students attending CMI ............... 25,000
   (c) Financial Assistance to FSM
    students attending PCC ............... 50,000
10. (d) National scholarship .............. 1,000,000
11. (e) National Close-Up ................. 70,000
12. (f) National Merit Scholarship ....... 200,000
13. (g) COM Board annual meeting ........ 5,000
14. (h) School Accreditation Program ... 20,733
15. (i) Teacher Certification Project .. 110,339
16. (7) Department of Transportation, Communication
 and Infrastructure.
18. (a) Asia Pacific Telecommunity (APT) 11,000
19. (b) International Telecommunications
20. Union (ITU) ............................ 20,847
21. (c) International Civil Aviation
22. Organization ............................ 28,050
23. (d) FSM Capital Energy/Utilities ... 600,000
24. (e) Micronesian Shipping Comm ....... 50,000
25. (f) General Operation of CIA ....... 145,000

4 of 11
(g) Voyager Drydocking ................ $ 1,263,000
(h) Investment in air service route
(Our Airline).................................. 1,000,000
(i) FSM airline task force ............ 75,000

(8) Department of Justice.
(a) DOJ Fuel Subsidy ................. 500,000
(b) DOJ Trafficking in Persons (TIP) prosecution/training......................... 75,000
(c) Kosrae Joint Law Enforcement ... 25,000
(d) Pohnpei Joint Law Enforcement .. 50,000
(e) Chuuk Joint Law Enforcement .... 50,000
(f) Yap Joint Law Enforcement ...... 25,000

(9) Office of S.B.O.C.
(a) Asia Pacific Investment .......... 250

(10) Congress of the Federated States of Micronesia
(a) Update FSM Code ..................... 100,000
(b) IPU Conference ....................... 20,000
(c) Climate Change Conferences ...... 20,000
(d) Confolens Festival .................. 100,000

(11) Office of E.E.M.
(a) SPREP ............................. 10,184
(b) UNEP ............................... 760
(c) SPREP/Noumea Convention ........ 1,764
(d) Waigani Convention .............. 1,190
(e) UN Convention to Combat
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<td>Desertification</td>
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<td>(f) UN Framework Convention (UNFCC)</td>
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<td>3</td>
<td>(g) Earth Day Activities</td>
<td>$15,000</td>
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<td>4</td>
<td>(h) 3rd Annual EPA Directors' Meeting</td>
<td>$20,000</td>
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<td><strong>Office of NACHP.</strong></td>
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<td>(a) UNESCO</td>
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<td>7</td>
<td>(b) NCSHPO</td>
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<td>(c) PARBICA</td>
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<td>9</td>
<td>(d) PIALA</td>
<td>$100</td>
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<td>10</td>
<td>(e) WHC Membership Fee</td>
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<td><strong>Coconut Development Authority.</strong></td>
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<td>12</td>
<td>(a) Copra subsidy</td>
<td>$100,000</td>
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<td>13</td>
<td>(b) Asia Pacific Coconut Community (APCC)</td>
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<td><strong>Other Grants, Subsidies and Contributions.</strong></td>
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<tr>
<td>15</td>
<td>(a) Kosrae Judiciary Subsidy</td>
<td>$35,000</td>
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<tr>
<td>16</td>
<td>(b) Pohnpei Judiciary Subsidy</td>
<td>$55,000</td>
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<tr>
<td>17</td>
<td>(c) Chuuk Judiciary Subsidy</td>
<td>$55,000</td>
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<tr>
<td>18</td>
<td>(d) Yap Judiciary Subsidy</td>
<td>$35,000</td>
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<td>19</td>
<td>(e) COM Treaty Obligations</td>
<td>$25,000</td>
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<tr>
<td>20</td>
<td>(f) Micronesian Legal</td>
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<tr>
<td>21</td>
<td>Services Corporation</td>
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<td>22</td>
<td>(g) Disaster Assistance Emergency</td>
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<tr>
<td>23</td>
<td>Fund (DAEF) Matching</td>
<td>$200,000</td>
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<tr>
<td>24</td>
<td>(h) MiCare</td>
<td>$100,000</td>
</tr>
<tr>
<td>25</td>
<td>(i) MLFC Loan Payment</td>
<td>$200,000</td>
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(j) FY12 Single Audit .................. $ 329,250
(k) Former Presidents' allowance ... 53,700
(l) FSM Social Security ............... 1,000,000
(m) Staff Housing .................... 510,000
(n) Recruitment and repatriation ... 233,218
(o) Satisfy Judgment Lee v. FSM .... 55,000
(p) WCPF NC Membership Fee (NORMA) ... 71,000
(q) National Election - Unpaid services 6,213
(r) To purchase a power
   generator for Pohnpei State........... . 2,000,000
(s) CSCIP prior obligation (rental/
   lease agreements and others).......... 15,000
(t) Outstanding obligations of the DOJ 16,168"

Section 2. Section 9 of Public Law No. 18-15, as amended by
Public Laws Nos. 18-41 and 18-54, is hereby further amended to read as
follows:

"Section 9. Capital and Human Resources Development.
The sum of $19,845,792 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, 2014, for the following capital
improvements, development programs, and projects and human
resources development. Of the total amount of funds
appropriated herein, $2,437,568 shall be deemed to come
from funds available under the Amended Compact from the
education sector; $-0- shall be deemed to come from funds available under the Amended Compact from the health sector; $-0- shall be deemed to come from funds available under the Amended Compact from public capacity building sector; $-0- shall be deemed to come from funds available under the Amended Compact from the infrastructure sector; $-0- shall be deemed to come from funds available under the Amended Compact from the enhanced reporting and accountability sector; and $799,666 shall be deemed to come from funds available under the Supplemental Education Grant. The sum appropriated by this section shall be apportioned as follows:

1. College of Micronesia – FSM.
   (a) College of Micronesia–FSM. .... $ 3,800,000
   (b) FSM Fisheries and Maritime Institute 755,110
   (c) COM–FSM SEG ......................... 683,346

2. Department of Finance & Administration
   (a) Financial Advisor ................. 103,650
   (b) Tax Financial Advisor ............. 53,800
   (c) Tax Reform Project ................. 144,000

3. Department of Resources & Development
   (a) Establishment of FSM Assn. Chamber of Commerce.......................... 67,000
   (b) State Trade Fairs enhancing value addition......................... 50,000
CONGRESSIONAL BILL NO. 18-197, C.D.1

1 (c) SNLC .................................. $ 50,000
2 (d) FSM Agriculture Census ........... 50,000
3
4 (4) Department of Transportation,
5 Communications and Infrastructure.
6 (a) Outer Island Airport Improvement
7 to be divided as follows:.............. ...... 1,000,000
8 (i) Ta airport improvement ... 300,000
9 (ii) Woleai airport improvement 700,000
10 (b) Congress Chamber Repair........... 150,000
11 (c) Capital Rehabilitation ............. 321,175
11
12 (5) Department of Justice
13 (a) FSS Micronesia and Independence —
14 Slippings.................................... 750,000
15 (b) Patrol boat major maintenance
16 project................................. 125,000
16
17 (6) Infrastructure Development/IMF
17 (a) Infrastructure Development
18 Projects.................................... -0-
19 (b) IMF .................................... -0-
20
20 (7) President's Office
21 (a) FSM Trust Fund ..................... 7,000,000
22 (b) Staff upgrading .................... 100,000
23
23 (8) Office of SBOC
24 (a) Monitoring & Reconciliation
25 in the FSM States....................... 32,500
1. (9) National Election.
   (a) National Election (voter ID) $25,000

2. (10) Department of Health and Social Affairs
   (a) Health Services Specialty Pathologist $50,000
   (b) Environmental/water/food/lab test $78,000
   (c) Medical Specialized Team $195,000
   (d) Data Validation & Analysis $-0-
   (e) Assistance to States on NCD $-0-
   (f) Capital Suites & Apt. Rent $21,000

3. (11) Department of Education
   (a) Accreditation Intervention Project $148,521
   (b) Data Verification Project $37,568

   (a) Private Sector Capital $-0-

5. (13) Insurance Board.
   (a) Improve and strengthen statutory and regulatory framework $100,000

6. (14) Coconut Development Authority.
   (a) Hosting of 50th APCC Session $22,000

7. (15) FSM Postal Services
   (a) Kosrae Building $75,000

8. (16) Video Project $30,900

9. (17) FSMTC $3,200,000
Section 3. This act shall become law upon approval by the President of the Federated States of Micronesia or upon its becoming law without such approval.

July 25, 2014

Manny Mori
President
Federated States of Micronesia