

A BILL FOR AN ACT

To amend sections 112, 205 and 211 of title 52 of the Code of the Federated States of Micronesia (Annotated), as amended, for the purpose of removing the COLA exemption for employees who receive a professional premium, setting the minimum amount for the contract renewal bonus and revising the FSM National Government employee base salary schedule for pay level 42, step 3, 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, is hereby amended to  
3 read as follows:

4           "Section 112. Definitions. In this chapter, unless the  
5 context requires otherwise, the following definitions  
6 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 any  
11 of these premiums, his adjusted base salary means his  
12 base salary.

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

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1           differentials under section 164 of this chapter, or  
2           transfer, travel per diem, or other similar allowances.

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

10          (4) "cost-of-living allowance (COLA)" means the  
11          increase in base salary to compensate for loss of  
12          purchasing power due to inflation. The COLA increment  
13          is not subject to tax or social security contribution.  
14          Employees exempt from the cost-of-living adjustment  
15          includes all officials elected in national elections  
16          including members of the Congress of the Federated  
17          States of Micronesia, President and Vice President of  
18          the Federated States of Micronesia, all employees whom  
19          are appointed to a position that requires advise and  
20          consent under Title 2, Section 207(1) of the Code of the  
21          Federated States of Micronesia, [~~employees who receive a~~  
22          ~~professional premium~~], and employees who receive the  
23          foreign service premium.

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1           (5) "Eligible list" means a list of persons who have  
2           been found qualified for appointment to a position in a  
3           particular class. Such a list may be either  
4           reemployment, promotional, or open-competitive.

5           (6) "Eligible person" or "eligible" means a person  
6           whose name is on an active eligible list.

7           (7) "Employee" means a person holding a position in  
8           the public service, whether permanently or otherwise.

9           (8) "Foreign service premium" means a premium set  
10          forth under subsection 163(2) of this title [to be paid  
11          in addition to base salary to employees who are citizens  
12          of the Federated States of Micronesia assigned to  
13          permanent duty stations outside the Federated States of  
14          Micronesia].

15          (9) "Government of Federated States of Micronesia"  
16          includes the Legislative, the Executive, and the  
17          Judicial Branches and the agencies of the Government of  
18          Micronesia.

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

22          (11) "Market place premium" means a premium as set  
23          forth under subsection 163(1) of this title.

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1           (12) "Open-competitive examination" means an  
2           examination for positions in a particular class,  
3           admission to which is not limited to persons employed in  
4           public service.

5           (13) "Open-competitive list" means list of persons  
6           who have been found qualified by open4 competitive  
7           examination for appointment to a position in a  
8           particular class.

9           (14) "Personnel officer" means the head of the  
10          Office of Personnel of the Government of the Federated  
11          States of Micronesia.

12          (15) "Position" means a group of duties and  
13          responsibilities assigned by competent authority to be  
14          performed by one person, working full-time or part12  
15          time. A position may be either occupied or vacant.

16          (16) "Position classification plan" means the  
17          arrangement in a systematic order of the titles of all  
18          classes existing in the public service, with a  
19          description of each class.

20          (17) "Probation period" means a period of  
21          probationary employment status of not less than six  
22          months nor more than one year from the beginning of an  
23          employee's service in a particular position or class in  
24          the public service.

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1           (18) "Professional premium" means a premium as set  
2           forth under subsection 163(3) of this title.

3           (19) "Promotional examination" means an examination  
4           for positions in a particular class, admission to which  
5           is limited to regular employees in the public service.

6           (20) "Promotional list" means a list of persons who  
7           have been found qualified by a promotional examination  
8           for appointment to a position in a particular class.

9           (21) "Public service" means all offices and other  
10          positions in the Government of the Federated States of  
11          Micronesia not exempted by section 117 of this chapter.

12          (22) "Reemployment list" means a list of persons who  
13          have been regular employees in the public service and  
14          who are entitled to have their names certified for  
15          appointment to a position in the class in which they  
16          last held permanent status, or in a related class in the  
17          same or a lower salary range for which they meet the  
18          qualification requirements.

19          (23) "Regular employee" or "permanent employee"  
20          means an employee who has been appointed to a position  
21          in the public service who has successfully completed a  
22          probation period."

23          Section 2. Section 205 of title 52 of the code of the  
24          Federated States of Micronesia (Annotated), as amended, is hereby

1 amended to read as follows:

2           "Section 205. Base Salary schedule of biweekly salary  
3           rate.

<b>Pay Level</b>	<b>Steps</b>						
	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
<b>1</b>	\$137.46	\$141.46	\$145.46	\$149.46	\$154.26	\$159.06	\$163.86
<b>2</b>	141.46	145.46	149.46	154.26	159.06	163.86	169.46
<b>3</b>	145.46	149.46	154.26	159.06	163.86	169.46	175.06
<b>4</b>	149.46	154.26	159.06	163.86	169.46	175.06	181.46
<b>5</b>	154.26	159.06	163.86	169.46	175.06	181.46	187.86
<b>6</b>	159.06	163.86	169.46	175.06	181.46	187.86	195.06
<b>7</b>	163.86	169.46	175.06	181.46	187.86	195.06	202.26
<b>8</b>	169.46	175.06	181.46	187.86	195.06	202.26	210.26
<b>9</b>	175.06	181.46	187.86	195.06	202.26	210.26	218.26
<b>10</b>	181.46	187.86	195.06	202.26	210.26	218.26	227.06
<b>11</b>	187.86	195.06	202.26	210.26	218.26	227.06	236.66
<b>12</b>	195.06	202.26	210.26	218.26	227.06	236.66	246.26
<b>13</b>	202.26	210.26	218.26	227.06	236.66	246.26	256.66
<b>14</b>	210.26	218.26	227.06	236.66	246.26	256.66	267.86
<b>15</b>	218.26	227.06	236.66	246.26	256.66	267.86	279.86
<b>16</b>	227.06	236.66	246.26	256.66	267.86	279.86	291.86
<b>17</b>	236.66	246.26	256.66	267.86	279.86	291.86	304.66
<b>18</b>	246.26	256.66	267.86	279.86	291.86	304.66	318.26

<b>Pay Level</b>	<b>Steps</b>						
	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
<b>19</b>	256.66	267.86	279.86	291.86	304.66	318.26	332.66
<b>20</b>	267.86	279.86	291.86	304.66	318.26	332.66	347.86
<b>21</b>	279.86	291.86	304.66	318.26	332.66	347.86	364.66
<b>22</b>	291.86	304.66	318.26	332.66	347.86	364.66	382.26
<b>23</b>	304.66	318.26	332.66	347.86	364.66	382.26	400.66
<b>24</b>	318.26	332.66	347.86	364.66	382.26	400.66	420.66
<b>25</b>	332.66	347.86	364.66	382.26	400.66	420.66	441.46
<b>26</b>	347.86	364.66	382.26	400.66	420.66	441.46	463.86
<b>27</b>	364.66	382.26	400.66	420.66	441.46	463.86	487.06
<b>28</b>	382.26	400.66	420.66	441.46	463.86	487.06	511.86
<b>29</b>	400.66	420.66	441.46	463.86	487.06	511.86	538.26
<b>30</b>	420.66	441.46	463.86	487.06	511.86	538.26	566.26
<b>31</b>	441.46	463.86	487.06	511.86	538.26	566.26	595.86
<b>32</b>	463.86	487.06	511.86	538.26	566.26	595.86	627.06
<b>33</b>	487.06	511.86	538.26	566.26	595.86	627.06	660.66
<b>34</b>	511.86	538.26	566.26	595.86	627.06	660.66	695.86
<b>35</b>	538.26	566.26	595.86	627.06	660.66	695.86	733.46
<b>36</b>	566.26	595.86	627.06	660.66	695.86	733.46	773.46
<b>37</b>	595.86	627.06	660.66	695.86	733.46	773.46	815.86
<b>38</b>	627.06	660.66	695.86	733.46	773.46	815.86	860.66
<b>39</b>	660.66	695.86	733.46	773.46	815.86	860.66	

Pay Level	Steps						
	1	2	3	4	5	6	7
40	695.86	733.46	773.46	815.86	860.66		
41	733.46	773.46	815.86	860.66			
42	773.46	815.86	<del>860.66</del> <u>1012.15</u>				

1           The provision of this schedule shall not operate to  
 2           decrease the base salary biweekly rate of employees  
 3           employed on the effective date of the amending Act  
 4           codified in this section. Furthermore, the base salary  
 5           biweekly rate of such employees shall not be increased  
 6           beyond the rate in effect on the effective date of the  
 7           amending Act codified in this section."

8           Section 3. Section 211 of title 52 of the Code of the  
 9 Federated States of Micronesia (Annotated), as amended, is hereby  
 10 amended to read as follows:

11           "Section 211. Contract renewal bonus. Any full-time  
 12           employee entitled to a professional premium hired under  
 13           a prime contract and entitled to repatriation shall,  
 14           upon completion of two full years of continuous  
 15           employment with the Government of the Federated States  
 16           of Micronesia, be eligible for a contract renewal bonus  
 17           upon renewal of his/her contract; provided said contract  
 18           renewal is for a period not less than one full calendar



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1 year. The contract renewal bonus shall not be less than  
2 \$3,000 for an additional one year and \$6,000 for an  
3 additional two years. The bonus shall be awarded in an  
4 amount and under such terms as the Secretary shall  
5 determine by regulations issued within 90 days of the  
6 effective date of this act.”

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

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11 Date: 9/15/20

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

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