

A BILL FOR AN ACT

To amend sections 163, 206, 209, and 210 and to repeal sections 207 and 208 of title 52 of the Code of the Federated States of Micronesia to limit and redefine salary premiums for public service system employees, and for other purposes.

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

1 Section 1. Section 163 of title 52 of the Code of the Federated States  
2 of Micronesia is hereby amended to read as follows:

3 "Section 163. Premiums. To recognize circumstances of employment  
4 which make it appropriate that recognition be given to achievement  
5 of professional standing and to labor market conditions outside  
6 the Trust Territory, the following premiums are provided to public  
7 service employees. When an employee is receiving a premium in  
8 addition to his base salary, the sum of his base salary plus pre-  
9 mium shall constitute his adjusted base salary for the purpose of  
10 computing differentials:

11 (1) Market place Professional premium. An employee who is  
12 ~~relocated~~ in a location outside the Trust Territory who is a  
13 ~~resident of the Trust Territory, and at the time of original~~  
14 ~~hire, a resident thereof,~~ has attained the professional standing  
15 as defined in section 206(2) of this act may be paid a premium  
16 based on labor market conditions in the place of relocation and  
17 on the level of the base salary which may not be more than 25  
18 percent of the base salary.

19 (2) Foreign service premium. An employee who is a citizen  
20 of the Trust Territory and who is assigned to a permanent duty  
21 station outside the Trust Territory may be paid a premium of no  
22 more than 25 percent of base salary based on labor market conditions  
23 in the place of assignment and on the level of base salary."

24 Section 2. Section 206 of title 52 of the Code of the Federated States  
25 of Micronesia is hereby amended to read as follows:

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1 "Section 206. Compensation of employees who are citizens of the  
2 Trust Territory professional and foreign service premiums. —

3 (1) Except as otherwise hereinafter provided, employees  
4 who are citizens of the Trust Territory shall receive as compen-  
5 sation a base salary as provided in section 205 of this chapter.

6 (2) Notwithstanding the provisions of subsection (1) of  
7 this section, any employee covered under the provisions thereof  
8 who has achieved advanced professional status through obtaining  
9 an earned professional degree in law, an earned doctorate in any  
10 other field, or an earned degree in professional engineering  
11 awarded on completion of a four-year course from an accredited  
12 United States university or any other college or university which  
13 is accredited by the competent authority in the jurisdiction where  
14 the college or university is located, and who is employed in a  
15 position having a requirement for such a degree, shall receive, in  
16 addition to the base salary for the position, ~~the United States~~  
17 ~~market-place~~ a professional premium for the pay level and step of  
18 the position not to exceed 25 percent of the base salary.

19 (3) Notwithstanding the provisions of subsection (1) of this  
20 section, any employee covered under the provisions thereof who is  
21 assigned to a permanent duty station outside the Trust Territory  
22 shall receive, in addition to a base salary, a foreign-service  
23 premium which shall ~~be identical with the market-place premium~~  
24 ~~for the country where the duty station is located and for the pay~~  
25 ~~level and step of the position~~ not exceed 25 percent of the base

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1           salary."

2           Section 3. Sections 207 and 208 of title 52 of the Code of the Feder-  
3 ated States of Micronesia are hereby repealed in their entirety as follows:

4           "Section 207/ Compensation of employees who are citizens of the  
5           United States/

6           (1) Employees who are citizens of the United States and who  
7 are recruited and hired under a prime contract shall receive the  
8 following compensation:

9           (a) a base salary as provided in section 203 of this  
10 chapter; and

11           (b) a marketplace premium, which shall be at the rate  
12 established in a table prepared by the Personnel Officer;

13           (2) Employees who are citizens of the United States and who  
14 are not covered by the provisions of subsection (1)  
15 of this section shall receive the same base salary and shall be  
16 eligible for the same premiums, differentials, and allowances as  
17 employees who are citizens of the Trust Territory in like positions;

18           "Section 208/ Compensation of employees who are third-country  
19           nationals/

20           (1) Employees who are citizens neither of the Trust Territory  
21 nor of the United States and who are recruited and hired under a  
22 prime contract in countries other than the Trust Territory or the  
23 United States shall receive the following compensation:

24           (a) a base salary as provided in section 203 of this  
25 chapter;

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(b) If prevailing rates of pay are substantially higher in the country of recruitment than in the Federated States of Micronesia, a marketplace premium which shall be determined by the Personnel Officer, on the basis of the difference, insofar as it can best be estimated, between the prevailing rates in the Federated States of Micronesia and in the country of recruitment. In no case shall such marketplace premium exceed the U.S. marketplace premium for the same pay level and step.

(2) Employees who are citizens neither of the Trust Territory nor of the United States and who are not covered by the provisions of subsection (1) of this section shall receive the same base salary and shall be eligible for the same premiums, differentials, and allowances as employees who are citizens of the Trust Territory in like positions."

Section 4. Section 209 of title 52 of the Code of the Federated States of Micronesia is hereby amended to read as follows:

Section 208207. Entrance salary rate of employees.

(1) The initial base salary rate of a new employee shall be at step 1 of the pay level for the class of his position unless the Personnel Officer determines that a higher rate is needed for recruitment and that such higher rate is appropriate to the qualifications of the applicant; provided that in no case shall such rate be higher than step 4 of the pay level for the class of the position.

(2) Any employee who receives a promotion within the National

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Public Service System shall have his base salary increased to that step in the pay level for the new position which is next higher than the step at which his current salary is fixed, unless his current salary is higher than step 7 of the pay level, in which case his salary shall remain unchanged.

(3) An employee who receives a transfer within the National Public Service System shall continue to be paid at the same pay level and step as before the transfer, and his time in grade shall continue to be counted as if the transfer had not taken place.

(4) An employee who receives a promotion or transfer from the Trust Territory public service to the National Public Service System shall be entitled to a salary, within the pay level for the new position, which the Personnel Officer finds to be appropriate in view of the employee's qualifications and his salary in the Trust Territory administration. In no case shall the new salary be higher than step 7 of the pay level for the class of the position."

Section 5. Section 210 of title 52 of the Code of the Federated States of Micronesia is hereby amended to read as follows:

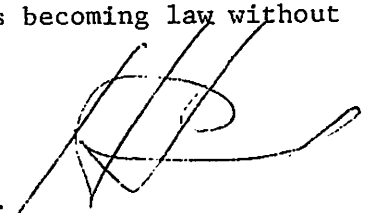
"Section ~~210~~ 208. Existing employment contracts. - The provisions of this chapter shall not impair, change, increase, or decrease the obligations of any existing employment contract to which the central Government of the Federated States of Micronesia is or becomes party. Every position to be filled after the effective date of this chapter by initial contractual appointment or renewal shall provide for compensation as specified in the provisions of this chapter.

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1 Section 6. This act shall become law upon approval by the President  
2 of the Federated States of Micronesia or upon its becoming law without  
3 such approval.

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5 Date: Nov. 5, 1982

Introduced by: 

Hiroshi Ismael

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