AN ACT

To establish a National Postal Service for the Federated States of Micronesia, to appropriate the sum of $60,000 from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1983, and for other purposes.

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

Section 1. Short title. This act is known and may be cited as the "National Postal Service Act."

Section 2. National Postal Service. There is hereby established, as an independent agency of the National Government of the Federated States of Micronesia, the National Postal Service of the Federated States of Micronesia.

Section 3. Postmaster General.

(1) There is hereby established the Office of the Postmaster General of the Federated States of Micronesia. The Postmaster General shall be appointed by the President of the Federated States of Micronesia, subject to the advice and consent of the Congress of the Federated States of Micronesia. An appointment shall be for the term of the appointing President, and the Postmaster General shall submit his resignation to the President for his acceptance no later than 30 days after the inauguration of the President or at the time a new nominee for Postmaster General is confirmed by the Congress, whichever is earlier. The President may renominate the same Postmaster General subject to the advice and consent of the Congress.

(2) Prior to the appointment and confirmation of the Postmaster General under subsection (1), the President shall have the authority to exercise the powers and duties vested in the Postmaster General by this act and may appoint an interim Postmaster General to be paid at the rate
Section 4. **Duties and responsibilities.** The Postmaster General shall have the following duties and responsibilities:

1. To supervise the operations of the National Postal System;
2. To adopt postal rates and regulations pursuant to title 17 of the Code of the Federated States of Micronesia and in accordance with section 8 of this act; and
3. To hire staff and perform such other duties and functions as may be necessary to carry out the provisions of this act.

Section 5. **State post offices and postmasters.** There shall be a Post Office in each of the four States under the supervision of a State postmaster who shall serve under the authority of the Postmaster General and be responsible for the operations of his respective State Post Office.

Section 6. **Applicability of the National Public Service System Act.** The Postmaster General and the State postmasters shall be exempt from the National Public Service System Act, but all other employees of the National Postal System shall be covered by said act, except as may otherwise be provided by law.

Section 7. **Exchange of mail; Outgoing mail.** The Postmaster General shall see to it that mail shall be exchanged at one exchange office mutually agreed to by the United States and the Federated States of Micronesia designated in each of the four States, and that outgoing mail from the Federated States of Micronesia shall be merged with United
States mail for conveyance to the United States or to other countries. Such outgoing mail from the Federated States of Micronesia shall be treated as though it were mail from the United States for dispatch, documentation, statistical, accounting, and settlement operations with other countries.

Section 8. Postal rates.

(1) Until such time as a new treaty relationship exists between the Federated States of Micronesia and the United States, United States domestic postal rates shall apply to mail exchanged between addresses in the Federated States of Micronesia and addresses in Palau, the Marshall Islands, and the United States.

(2) If at a later time a new treaty relationship exists between the Federated States of Micronesia and the United States then any separate United States established rates for service from the United States to the Federated States of Micronesia shall establish the ceiling and the floor for postage rates for mail from the Federated States of Micronesia to the United States and to the Marshall Islands and Palau.

(3) International postal rates applicable in the United States shall apply to mail from the Federated States of Micronesia to other countries.

(4) The Postmaster General may determine postal rates for internal mail to local addresses within the Federated States of Micronesia.

Section 9. Issuance and sale of stamps.

(1) The Postmaster General shall be responsible for the
1 issuance of postage stamps and other prescribed postal indicia.
2 which shall be used for prepayment of postage rates and other postal
3 charges on all mail originating in the Federated States of Micronesia,
4 except for mail sent through the Military Postal System which may be
5 provided for should a new treaty relationship exist between the
6 Federated States of Micronesia and the United States.
7 (2) Revenues derived from the sale of stamps issued by the
8 Postmaster General for postal services or for philatelic purposes
9 shall be deposited in the General Fund of the Federated States of
10 Micronesia.
11 Section 10. Appropriation. The sum of $60,000, or so much
12 thereof as may be necessary, is hereby appropriated from the General
13 Fund of the Federated States of Micronesia for the fiscal year ending
14 September 30, 1983, for the purpose of providing initial funding for
15 the National Postal System. The sum appropriated shall be allotted to
16 the Postmaster General, who shall manage, administer, and account for
17 such sum in accordance with applicable law, including, but not limited
18 to, the Financial Management Act of 1979. The authority to obligate
19 the funds appropriated by this act shall lapse as of September 30, 1984.
20 Section 11. Agreement with United States. In carrying out the
21 provisions of this act, the Postmaster General shall do so in accordance
22 with the Agreement Concerning Postal Services Between the United States
23 Postal Service and the Government of the Federated States of Micronesia.
24 Section 12. Audit. The Office of the Public Auditor shall audit
25 the National Postal Service annually.
Section 13. Philatelic agent agreement.

(1) Notwithstanding the provisions of this act, an agreement between the National Postal Service or the Federated States of Micronesia and a philatelic agent, for the issuance and philatelic sales of the postage stamps of this Nation, shall require the approval of the Congress of the Federated States of Micronesia by resolution.

(2) The Committee on Judiciary and Governmental Operations of the Congress of the Federated States of Micronesia shall have authority to approve such an agreement if the Congress is not in session.

Section 14. Effective date. 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 11, 1983

Tosiwo Nakayama
President
Federated States of Micronesia