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A BILL FOR AN ACT

To further amend section 112 of title 52 of the Code of the Federated States of Micronesia, as amended by Public Law Nos. 11-81 and 13-64, and by inserting a new section 208 to chapter 2 of title 52 F.S.M.C., to provide for a cost-of-living allowance (COLA) for all of the employees of the National Government of the Federated States of Micronesia, 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 by Public Law Nos.  
3 11-81 and 13-64, is hereby further amended to read as follows:

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

13           (2) "Base Salary" means the specific rate of pay for  
14 a given pay level and step as contained within the  
15 base salary schedule established by law. "Base  
16 Salary" does not include premiums under section 163 of  
17 this chapter, professional premiums, cost-of-living  
18 allowance (COLA), differentials under section 164 of

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1           this chapter, or transfer, travel per diem, or other  
2           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  
6           by applying the same qualification standards, and be  
7           equitably compensated by the same salary level. A  
8           class may consist of only one position or of any  
9           greater 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          ~~(4)~~ (5) "Eligible list" means a list of persons who  
15          have been found qualified for appointment to a  
16          position in a particular class. Such a list may be  
17          either reemployment, promotional, or open-competitive.

18          ~~(5)~~ (6) "Eligible person" or "eligible" means a  
19          person whose name is on an active eligible list.

20          ~~(6)~~ (7) "Employee" means a person holding a  
21          position in the public service, whether permanently or  
22          otherwise.

23          ~~(7)~~ (8) "Foreign service premium" means a premium  
24          set forth under subsection 163(2) of this title ~~[to be~~  
25          ~~paid in addition to base salary to employees who are~~

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1           ~~citizens of the Federated States of Micronesia~~  
2           ~~assigned to permanent duty stations outside the~~  
3           ~~Federated States of Micronesia]~~.

4           ~~(8)~~ (9) "Government of Federated States of  
5           Micronesia" includes the Legislative, the Executive,  
6           and the Judicial Branches and the agencies of the  
7           Government of Micronesia.

8           ~~(9)~~ (10) "Management official" or "management" means  
9           a person authorized to make appointments or changes in  
10          status of employees in the public services.

11          ~~(10)~~ (11) "Market place premium" means a premium as  
12          set forth under subsection 163(1) of this title.

13          ~~(11)~~ (12) "Open-competitive examination" means an  
14          examination for positions in a particular class,  
15          admission to which is not limited to persons employed  
16          in public service.

17          ~~(12)~~ (13) "Open-competitive list" means list of  
18          persons who have been found qualified by open-  
19          competitive examination for appointment to a position  
20          in a particular class.

21          ~~(13)~~ (14) "Personnel officer" means the head of the  
22          Office of Personnel of the Government of the Federated  
23          States of Micronesia.

24          ~~(14)~~ (15) "Position" means a group of duties and  
25          responsibilities assigned by competent authority to be

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1 performed by one person, working full-time or part-  
2 time. A position may be either occupied or vacant.

3 [~~15~~] (16) "Position classification plan" means the  
4 arrangement in a systematic order of the titles of all  
5 classes existing in the public service, with a  
6 description of each class.

7 [~~16~~] (17) "Probation period" means a period of  
8 probationary employment status of not less than six  
9 months nor more than one year from the beginning of an  
10 employee's service in a particular position or class  
11 in the public service.

12 [~~17~~] (18) "Professional premium" means a premium as  
13 set forth under subsection 163(3) of this title.

14 [~~18~~] (19) "Promotional examination" means an  
15 examination for positions in a particular class,  
16 admission to which is limited to regular employees in  
17 the public service.

18 [~~19~~] (20) "Promotional list" means a list of  
19 persons who have been found qualified by a promotional  
20 examination for appointment to a position in a  
21 particular class.

22 [~~20~~] (21) "Public service" means all offices and  
23 other positions in the Government of the Federated  
24 States of Micronesia not exempted by section 117 of  
25 this chapter.

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1           ~~[(21)]~~ (22) "Reemployment list" means a list of  
2           persons who have been regular employees in the public  
3           service and who are entitled to have their names  
4           certified for appointment to a position in the class  
5           in which they last held permanent status, or in a  
6           related class in the same or a lower salary range for  
7           which they meet the qualification requirements.

8           ~~[(22)]~~ (23) "Regular employee" or "*permanent employee*"  
9           means an employee who has been appointed to a position  
10          in the public service who has successfully completed a  
11          probation period."

12          Section 2. Title 52 of the Code of the Federated States of  
13          Micronesia, as amended, is hereby further amended by inserting a  
14          new section 208 of chapter 2 to read as follows:

15                 "Section 208. Cost-of-living allowance (COLA).  
16                 All employees of the National Government of the  
17                 Federated States of Micronesia (including contract and  
18                 exempt employees) shall receive a cost-of-living  
19                 allowance (COLA) in the amount of \$40.00 per 80 hour  
20                 pay period. This COLA shall be in effect from January  
21                 1, 2015 to December 31, 2017."

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25          Section 3. This act shall become law upon approval by the

1 President of the Federated States of Micronesia or upon its  
2 becoming law without such approval.

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4 Date: 10/14/14

Introduced by: /s/ Dohsis Halbert

Dohsis Halbert

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