
A BILL FOR AN ACT

To further amend Public Law No. 16-43 as amended by Public Laws Nos. 16-48, 16-53, 16-60, 16-65, 16-70, and 17-01, by amending sections 1, 2, 8, 11, and 12, to increase funding for certain line items, to add new line items, to modify restrictions on reprogramming of funds, to change the lapse dates of certain budget items, and for other purposes.

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

1 Section 1. Section 1 of Public Law No. 16-43, as amended by
2 Public Laws Nos. 16-48, 16-53, 16-60, 16-65 and 17-01 is hereby
3 further amended to read as follows:

4 "Section 1. Purpose. The purpose of this act is to
5 appropriate the sum of \$~~[40,926,846]~~ 41,527,846 or so
6 much thereof as may be necessary, from the General
7 Fund of the Federated States of Micronesia for the
8 fiscal year ending September 30, 2011, for the
9 purpose of funding the operations of all branches of
10 the National Government of the Federated States of
11 Micronesia, its agencies, various programs, grants,
12 subsidies and contributions. Of the total amount of
13 funds appropriated herein, \$4,403,240 shall be deemed
14 to come from funds available under the amended
15 Compact from the education sector; \$1,178,720 shall
16 be deemed to come from funds available under the
17 Supplemental Education Grant; \$868,276 shall be
18 deemed to come from funds available under the amended
19 Compact from the health sector; \$808,990 shall be

1 deemed to come from funds available under the amended
2 Compact from the capacity building sector; \$-0- shall
3 be deemed to come from funds available under the
4 amended Compact from the private sector development
5 sector; and [~~0~~]\$360,000 shall be deemed to come from
6 funds available under the amended Compact from the
7 infrastructure sector."

8 Section 2. Section 2 of Public Law No. 16-43, as amended
9 by Public Laws Nos. 16-48, 16-53, 16-60, 16-65 and 17-01 is
10 hereby further amended to read as follows:

11 "Section 2. Operating expenses of the Executive
12 Branch. The sum of \$ [~~17,227,380~~] 17,328,380 or so
13 much thereof as may be necessary, is hereby
14 appropriated from the General Fund of the Federated
15 States of Micronesia for the fiscal year ending
16 September 30, 2011, for the purpose of funding the
17 operations of the Executive Branch of the National
18 Government during fiscal year 2011. Of the total
19 amount of funds appropriated herein, \$486,729 shall
20 be deemed to come from funds available under the
21 amended Compact from the education sector; \$371,591
22 shall be deemed to come from funds available under
23 the Supplemental Education Grant; \$668,276 shall be
24 deemed to come from funds available under the amended
25 Compact from the health sector; and \$-0- shall be

1 deemed to come from funds available under the amended
 2 Compact from the capacity building sector. The sum
 3 appropriated by this section shall be apportioned as
 4 follows:

5 (1) Office of the President.

6 The sum of \$701,364, or so much thereof as may be
 7 necessary, for the operations of the Office of the
 8 President during fiscal year 2011. The sum
 9 appropriated herein shall be apportioned as follows:

10	Personnel	\$	258,025
11	Travel		134,239
12	Contractual Services		186,000
13	OCE		102,100
14	Fixed Assets		21,000

15 (2) Department of Foreign Affairs.

16 The sum of \$ [~~4,245,271~~] 4,346,271, or so much thereof
 17 as may be necessary, for the operations of the
 18 Department of Foreign Affairs during fiscal year
 19 2011. The sum appropriated herein shall be
 20 apportioned as follows:

21	Personnel	\$ [1,287,872]	<u>1,337,872</u>
22	Travel		212,849
23	Contractual Services PROVIDED THAT \$200,000		
24	of this line item shall be used to		
25	Establish a contingency fund to be accessed		

1 by the Secretary of the Department to pay
 2 budget item approved in the FY2011 Budget,
 3 including Personnel, when fluctuations in
 4 currency result in a budget
 5 shortfall \$ [~~2,074,900~~] 2,125,900
 6 OCE 563,150
 7 Fixed Assets 106,500

8 (3) Department of Finance and Administration.

9 The sum of \$1,863,526, or so much thereof as may be
 10 necessary, for the operations of the Department of
 11 Finance and Administration during fiscal year 2011.
 12 Of the total amount of funds appropriated herein,
 13 \$-0- shall be deemed to come from funds available
 14 under the amended Compact from the capacity
 15 building sector. The sum appropriated herein shall
 16 be apportioned as follows:

17 Personnel PROVIDED THAT \$29,000 shall be used to pay
 18 overtime accrued during fiscal year 2010.. \$ 1,287,385
 19 Travel 171,003
 20 Contractual Services 160,456
 21 OCE 210,182
 22 Fixed Assets 34,500

23 (4) Department of Resources and Development.

24 The sum of \$751,687, or so much thereof as may be
 25 necessary, for the operations of the Department of

1 Resources and Development during fiscal year 2011.

2 The sum appropriated herein shall be apportioned as
 3 follows:

4 Personnel PROVIDED THAT \$11,114 shall be used to pay

5 overtime accrued in FY2010	\$	523,078
6 Travel		72,600
7 Contractual Services		58,307
8 OCE		79,102
9 Fixed Assets		18,600

10 (5) Department of Transportation, Communication
 11 and Infrastructure.

12 The sum of \$2,096,913, or so much thereof as may be
 13 necessary, for the operations of the Department of
 14 Transportation, Communication and Infrastructure
 15 during fiscal year 2011. The sum appropriated herein
 16 shall be apportioned as follows:

17 Personnel	\$	534,374
18 Travel		118,384
19 Contractual Services		1,365,667
20 OCE		55,300
21 Fixed Assets		23,188

22 (6) Department of Health and Social Affairs.

23 The sum of \$814,404, or so much thereof as may be
 24 necessary, for the operations of the Department of
 25 Health and Social Affairs during fiscal year 2011.

1 Of the total amount of funds appropriated herein,
 2 \$668,276 shall be deemed to come from funds available
 3 under the amended Compact from the health sector.
 4 The sum appropriated herein shall be apportioned as
 5 follows:

6	Personnel	\$	450,161
7	Travel		58,890
8	Contractual Services		144,950
9	OCE		100,403
10	Fixed Assets		60,000

11 (7) Department of Education.

12 The sum of \$886,660, or so much thereof as may be
 13 necessary, for the operations of the Department of
 14 Education during fiscal year 2011. Of the total
 15 amount of funds appropriated herein, \$486,729 shall be
 16 deemed to come from funds available under the amended
 17 Compact from the education sector; and \$371,591 shall
 18 be deemed to come from funds available under the
 19 Supplemental Education Grant. The sum appropriated
 20 herein shall be apportioned as follows:

21	Personnel	\$	407,222
22	Travel		109,303
23	Contractual Services		309,271
24	OCE		60,864
25	Fixed Assets	\$	-0-

(8) Department of Justice.

The sum of \$3,547,563, or so much thereof as may be necessary, for the operations of the Department of Justice during fiscal year 2011.

The sum appropriated herein shall be apportioned as follows:

Personnel PROVIDED THAT \$131,148 shall be used to pay regular salaries earned and overtime accrued during fiscal year 2010 for the National Police, \$117,980 shall be used to pay overtime accrued in fiscal year 2010 for the Division of Immigration and Labor, no more than \$111,544 shall be used to pay overtime accrued in fiscal year 2011 for the Division of Immigration and Labor, and no more than \$254,667 shall be used to pay overtime accrued in fiscal year 2011 for the National Police..... \$ 2,339,738

Travel	108,585
Contractual Services.....	126,520
OCE	952,720
Fixed Assets	20,000

(9) Office of the Public Defender.

The sum of \$800,951, or so much thereof as may be necessary, for the operations of the Office of the Public Defender during fiscal year 2011. The sum

1 appropriated herein shall be apportioned as follows:

2	Personnel	\$	511,169
3	Travel		87,032
4	Contractual Services	\$	123,150
5	OCE		47,100
6	Fixed Assets		32,500

7 (10) Office of Statistics, Budget, Overseas
 8 Development Assistance and Compact Management.

9 The sum of \$1,038,686, or so much thereof as may
 10 be necessary, for the operations of the Office
 11 of Statistics, Budget, Overseas Development
 12 Assistance and Compact Management during fiscal
 13 year 2011. The sum appropriated herein shall be
 14 apportioned as follows:

15	Personnel	\$	616,316
16	Travel		112,030
17	Contractual Services		215,000
18	OCE		95,340
19	Fixed Assets		-0-

20 (11) Office of Environment and Emergency Management.

21 The sum of \$315,078, or so much thereof as may
 22 be necessary, for the operations of the Office
 23 of Environment and Emergency Management during
 24 fiscal year 2011. The sum appropriated herein
 25 shall be apportioned as follows:

1	Personnel	\$	170,687
2	Travel		74,015
3	Contractual Services		30,000
4	OCE		18,576
5	Fixed Assets		21,800
6	(12) <u>Office of National Archives, Culture and</u>		
7	<u>Historic Preservation</u> . The sum of \$165,727, or		
8	so much thereof as may be necessary, for the		
9	operations of the Office of National Archives,		
10	Culture and Historic Preservation during fiscal		
11	year 2011. The sum appropriated herein shall be		
12	apportioned as follows:		
13	Personnel PROVIDED THAT \$10,063 shall be used to pay		
14	regular salaries earned during fiscal		
15	year 2010	\$	112,227
16	Travel		15,000
17	Contractual Services		5,000
18	OCE		10,000
19	Fixed Assets		23,500"

20 Section 3. Section 8 of Public Law No. 16-43, as amended by
 21 Public Law Nos. 16-53, 16-60, 16-70 and 17-01, is hereby further
 22 amended to read as follows:

23 "Section 8. Grants, Subsidies and Contributions.
 24 The sum of \$ [~~6,828,603~~] 7,328,603, or so much thereof
 25 as may be necessary, is hereby appropriated from the

1 General Fund of the Federated States of Micronesia
 2 for the fiscal year ending September 30, 2011, for
 3 the following grants, subsidies and contributions
 4 during fiscal year 2011. Of the total amount of
 5 funds appropriated herein, \$116,511 shall be deemed
 6 to come from funds available under the amended
 7 Compact from the education sector; [~~and~~] \$123,003
 8 shall be deemed to come from funds available under
 9 the Supplemental Education Grant; and \$360,000 shall
 10 be deemed to come from funds available under
 11 infrastructure Section Grant. The sum appropriated
 12 by this section shall be apportioned as follows:

- 13 (1) Office of the President.
- 14 (a) Asia-Pacific Broadcasting
- 15 Dev. (AIBD) \$ 4,500
- 16 (b) Asia-Pacific Broadcasting
- 17 Union (ABU) 800
- 18 (c) Pacific Island News Assn (PINA). 350
- 19 (d) National Prayer Day..... 10,000
- 20 (e) Inauguration of new National
- 21 Leadership..... 25,000
- 22 (2) Department of Foreign Affairs.
- 23 (a) Pacific Islands Forum Secretariat 46,000
- 24 (b) Secretariat of the Pacific
- 25 Community (SPC) \$ 56,000

1	(c) UN Membership Fee.....	60,000
2	(d) UN Economic and Social	
3	Commission for Asia and the Pacific (ESCAP)	5,000
4	(e) East West Center.....	5,000
5	(f) Cotonou Membership Fee.....	10,000
6	(g) Assistance to Haiti.....	-0-
7	(3) <u>Department of Finance and Administration.</u>	
8	(a) OCO Membership Fee.....	4,000
9	(b) Maintenance Fee for FMIS.....	30,000
10	(c) FSM Group Life Insurance.....	43,000
11	(d) Personnel Manual Development....	38,470
12	(4) <u>Department of Resources and Development.</u>	
13	(a) Pacific Islands Development Program	15,000
14	(b) Forum Fisheries.....	34,178
15	(c) UN Development Program (UNDP)...	30,000
16	(d) South Pacific Applied Geoscience	
17	Comm. (SOPAC)	15,000
18	(e) Pacific Asia Travel Association.	5,000
19	(f) Western Forestry Leadership	
20	Coalition.....	500
21	(g) Food Agriculture Organization	
22	(FAO)	4,800
23	(h) National Association of State	
24	Foresters.....	530
25	(i) Chief Executive's Conference... \$	10,000

1	(j) SPC Host.....	9,000
2	(5) <u>Department of Health and Social Affairs.</u>	
3	(a) UN Fund for Population Activity	
4	(UNFPA)	3,000
5	(b) World Health Organization (WHO).	4,000
6	(c) National Board of Nursing.....	20,000
7	(d) Pacific Islands Health Officers	
8	Association (PIHOA)	20,000
9	(e) FSM Amateur Sports Association..	20,000
10	(f) Association of Territorial	
11	Health Organization..... \$	2,000
12	(g) FSM Red Cross.....	70,000
13	(6) <u>Department of Education.</u>	
14	(a) Aid for Non-Public Schools.....	500,000
15	(b) Financial Assistance to FSM	
16	Students attending the College of the Marshall	
17	Islands (CMI) and Palau Community College (PCC)	40,000
18	(c) National scholarship.....	575,000
19	(d) National Close-Up.....	70,000
20	(e) National Merit Scholarship..... \$	125,000
21	(f) COM Board annual meeting.....	5,000
22	(7) <u>Department of Transportation, Communication</u>	
23	<u>and Infrastructure.</u>	
24	(a) Asia Pacific Telecommunity (APT)	7,640
25	(b) International Telecommunications	

1	Union (ITU)	\$	55,000
2	(c) International Civil Aviation		
3	Organization		28,050
4	(d) FSM Capital Energy/Utilities....		500,000
5	(e) Micro. Shipping Comm.....		5,000
6	(8) <u>Office of Statistics, Budget, Overseas</u>		
7	<u>Development Assistance and Compact Management.</u>		
8	(a) Asia Pacific Investment.....		250
9	(b) Economic and Statistic Reporting		-0-
10	(c) Trust Fund Committee.....		-0-
11	(d) Technical Assistance to State		
12	Budget Offices		-0-
13	(9) <u>Office of Environment and Emergency</u>		
14	<u>Management (E.E.M).</u>		
15	(a) 4 th National Environmental		
16	Conference	15,000	
17	(b) Secretariat of Pacific Regional		
18	Environment		23,477
19	(c) National Emergency Managers		
20	Association.....		-0-
21	(d) UN Environmental Protection		
22	Agency (UNEP)		760
23	(e) 7 th National Environmental		
24	Speech Contest		15,000
25	(f) SPREP/Noumea Convention.....	\$	671

1	(g) Waigani Convention (Annual	
2	Membership Fee)	55
3	(h) UN Convention to Combat	
4	Desertification.....	120
5	(i) UN Framework Convention (UNFCC).	250
6	(j) SPREP Annual Membership Fee.....	-0-
7	(10) <u>Office of NACHP.</u>	
8	(a) UNESCO.....	4,000
9	(b) NCSHPO.....	2,760
10	(c) PARBICA.....	100
11	(d) PIALA.....	100
12	(e) WHC Membership Fee.....	54
13	(11) <u>Coconut Development Authority.</u>	
14	(a) Copra subsidy.....	100,000
15	(b) Asia Pacific Coconut Community (APCC)	12,000
16	(c) Pilot Plant Project.....	-0-
17	(12) <u>Department of Justice.</u>	
18	(a) Kosrae Joint Law Enforcement....	25,000
19	(b) Pohnpei Joint Law Enforcement...	50,000
20	(c) Chuuk Joint Law Enforcement; PROVIDED,	
21	HOWEVER, that \$35,000 of the funds appropriated	
22	herein shall be for the use of the Chuuk State	
23	Police; and \$15,000 shall be for the use of	
24	the Chuuk State Attorney General's Office..	50,000
25	(d) Yap Joint Law Enforcement \$	25,000

1	(13) <u>Other Grants, Subsidies and Contributions.</u>	
2	(a) Kosrae Judiciary Subsidy.....	30,000
3	(b) Pohnpei Judiciary Subsidy.....	45,000
4	(c) Chuuk Judiciary Subsidy.....	45,000
5	(d) Yap Judiciary Subsidy.....	30,000
6	(e) COM Treaty Obligations.....	25,000
7	(f) Tuna Commission Membership.....	47,988
8	(g) Disaster Assistance Emergency	
9	Fund (DAEF) Matching.....	200,000
10	(h) MiCare.....	100,000
11	(i) MLFC Loan Payment.....	300,000
12	(j) FY08 Single Audit.....	329,250
13	(k) Compact Review Committee.....	50,000
14	(l) FSM Social Security.....	1,200,000
15	(m) Legislative and Executive	
16	Discretionary Funds.....	-0-
17	(n) General Election	
18	(March 8, 2011)	[324,950] <u>336,350</u>
19	(o) Staff Housing.....	585,000
20	(p) Recruitment and repatriation....	180,000
21	(q) MLSC.....	150,000
22	(r) Former Presidents' Allowance....	50,000
23	(s) NORMA - Continental Shelf Project.	250,000
24	(t) Special Election	
25	(July 2011)	\$ [50,000] <u>88,600</u>

1 (u) Passport application stations abroad 90,000

2 (v) ADSL Coverage Expansion Program. 360,000"

3 Section 4. Section 11 of Public Law No. 16-43 is hereby
4 amended to read as follows:

5 "Section 11. Reprogramming. [~~Reprogramming of funds~~
6 ~~into or from the personnel budget line item shall not~~
7 ~~be permitted, except when the Department of Foreign~~
8 ~~Affairs is reprogramming into personnel from~~
9 ~~contractual services by accessing the contingency~~
10 ~~fund established in Section 2]. The President,~~
11 Speaker and Chief Justice may reprogram up to 10
12 percent to or from the funds appropriated in sections
13 2 (Operating expenses of the Executive Branch), 3
14 (Operating expenses of the Legislative Branch), and 4
15 (Operating expenses of the National Judicial Branch)
16 respectively. Reprogramming of funds within a
17 department, office or agency shall be effected by the
18 head of such department, office or agency by
19 specifying in writing to the Secretary of the
20 Department of Finance and Administration of the FSM
21 National Government, the accounts for which funding
22 is either increased or decreased. The President may
23 reprogram funds to rectify the budget deficiency in
24 the Department of Justice, (Section 2(8), and to
25 cover the budget deficits in the Department of

1 Education, (section 2(2)), Office of National
2 Archives, Culture and Historic Preservation (section
3 2(12)), Coconut Development Authority (section 6(3)),
4 and the National Election Office (section 7(1)), by
5 transferring such amounts as may be necessary and
6 sufficient from, or into, any of the line items under
7 section 2, section 6 and section 7. Reprogramming
8 other than as specified herein is not permitted, and
9 more specifically, reprogramming into or out of any
10 line item contained in Section 8 (Grants, Subsidies
11 and Contributions) or Section 9 (Investment: Capital
12 and Human Resources) is not permitted. The President
13 shall report to Congress within one month of the last
14 day of each financial quarter all amounts
15 reprogrammed inter or intra a department, office or
16 agency."

17 Section 5. Section 12 of Public Law No. 16-43 is hereby
18 amended to read as follows:

19 "Section 12. Allotment and management of funds and
20 lapse dates.

21 (1) General Provisions.

22 (a) All funds appropriated by this act shall be
23 allotted, managed, administered and accounted for in
24 accordance with applicable law, including, but not
25 limited to, the Financial Management Act of 1979.

1 (b) The allottees shall be responsible for
2 ensuring that these funds, or so much thereof as may
3 be necessary, are used solely for the purposes
4 specified in this act, and that no obligations are
5 incurred in excess of the sums appropriated.

6 (2) Allottees. The allottees of the funds
7 appropriated by this act are as follows:

8 (a) Section 2 - the allottee of these funds
9 shall be the President of the Federated States of
10 Micronesia;

11 (b) Section 3 - the allottee of these funds
12 shall be the Speaker of the Congress of the Federated
13 States of Micronesia;

14 (c) Section 4 - the allottee of these funds
15 shall be the Chief Justice of the Supreme Court of
16 the Federated States of Micronesia;

17 (d) Section 5 - the allottee of these funds
18 shall be the Public Auditor of the Federated States
19 of Micronesia;

20 (e) Sections 6 through 9 - the allottee of
21 these funds shall be the President of the Federated
22 States of Micronesia; PROVIDED, HOWEVER, that for the
23 following subsections of sections 8 through 9 of this
24 act:

25 (i) Section 8, subsection (12)(a) through

1 (d) - the allottee of these funds shall be the Chief
2 Justice of the respective State Supreme Court,

3 (ii) Section 9(1)(a) - the allottee of
4 these funds shall be the President of the College of
5 Micronesia-FSM.

6 (3) Lapse Date. The authority of the allottees to
7 obligate funds appropriated by this act shall lapse
8 as of September 30, 2011; PROVIDED, HOWEVER, that the
9 funds appropriated under section 9 of this act shall
10 not lapse; and PROVIDED FURTHER, that funds for
11 contractual services under section 2 hereof for the
12 Office of the President shall lapse on September 30,
13 2011; and PROVIDED FURTHER, that funds under section
14 8(13(u) through (v) shall not lapse until fully
15 expended."

16 Section 6. This act shall become law upon approval by the
17 President of the Federated States of Micronesia or upon its
18 becoming law without such approval.

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20 Date: 9/21/11

Introduced by: /s/ Florencio S. Harper
Florencio S. Harper
(by request)

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