

## A BILL FOR AN ACT

To appropriate the sum of \$31,979,730 from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1999, for the operations of the Executive Branch, Legislative Branch, Judicial Branch, Public Auditor, agencies of the National Government, and for special programs, grants, subsidies, contributions, and refunds of the National Government during fiscal year 1999; to establish a budget for Compact sections 214(b), 215(a)(2), 216(a)(2), 216(a)(3), and 221(b) and to appropriate special funds available therefor under the Compact; to establish a development budget and to appropriate funds available therefor under the Compact; and for other purposes.

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

1       Section 1. Operating expenses of the Executive Branch. The sum of \$12,688,093, or  
2   so much thereof as may be necessary, is hereby appropriated from the General Fund of the  
3   Federated States of Micronesia for the fiscal year ending September 30, 1999, for the  
4   operations of the Executive Branch of the National Government of the Federated States of  
5   Micronesia during fiscal year 1999. Of the total funds appropriated under this section,  
6   \$519,000 shall be deemed to come from the funds available under section 216(a)(1) of the  
7   Compact of Free Association. The sum appropriated by this section shall be apportioned as  
8   follows:

9           (1) Office of the President

10               (a) Office of the President

11                   (i) Personnel expenses ..... \$ 241,800

12                   (ii) Travel..... 117,000

13                   (iii) Contractual services, grants, subsidies, and  
14   contributions ..... 130,800

15                   (iv) Others..... 61,600

16               (b) Office of Public Information

17                   (i) Personnel expenses ..... 41,400

18                   (ii) Travel..... 5,300

19                   (iii) Contractual services, grants, subsidies, and  
20   contributions ..... 2,500

21                   (iv) Others..... 33,900

22               (c) Disaster Control Office

23                   (i) Personnel expenses ..... 27,300

24                   (ii) Travel..... -0-

25                   (iii) Contractual services, grants, subsidies, and

1	contributions.....	\$	-0-
2	(iv) Others.....		-0-
3	(2) Department of Foreign Affairs		
4	(a) Administration		
5	(i) Personnel expenses .....	84,700	
6	(ii) Travel.....	54,800	
7	(iii) Contractual services, grants, subsidies, and		
8	contributions .....	10,000	
9	(iv) Others.....	60,000	
10	(b) Division of Asian, Pacific, African & Multilateral Affairs		
11	(i) Personnel expenses .....	129,700	
12	(ii) Travel.....	-0-	
13	(iii) Contractual services, grants, subsidies, and		
14	contributions .....	-0-	
15	(iv) Others.....	-0-	
16	(c) FSM Consulate - Guam		
17	(i) Personnel expenses .....	103,900	
18	(ii) Travel.....	5,000	
19	(iii) Contractual services, grants, subsidies, and		
20	contributions .....	88,234	
21	(iv) Others.....	20,550	
22	(d) FSM Consulate - Honolulu		
23	(i) Personnel expenses .....	168,700	
24	(ii) Travel.....	3,800	
25	(iii) Contractual services, grants, subsidies, and		

1	contributions .....	\$ 90,300
2	(iv) Others.....	20,700
3	(e) FSM Embassy - Washington, D.C.	
4	(i) Personnel expenses .....	174,400
5	(ii) Travel.....	18,800
6	(iii) Contractual services, grants, subsidies, and	
7	contributions .....	472,000
8	(iv) Others.....	54,500
9	(f) FSM Embassy - Suva, Fiji	
10	(i) Personnel expenses .....	122,500
11	(ii) Travel.....	20,300
12	(iii) Contractual services, grants, subsidies, and	
13	contributions .....	40,975
14	(iv) Others.....	34,550
15	(g) Division of American and European Affairs	
16	(i) Personnel expenses .....	44,800
17	(ii) Travel.....	-0-
18	(iii) Contractual services, grants, subsidies,	
19	and contributions .....	-0-
20	(iv) Others.....	-0-
21	(h) FSM Embassy - Tokyo, Japan, the sum of \$754,325, or	
22	so much thereof as may be necessary, for the purchase of 90,519,000 yen,	
23	to be allocated as follows:	
24	(i) Personnel expenses .....	¥ 30,612,000
25	(ii) Travel.....	2,796,000

1	(iii) Contractual services, grants, subsidies, and	
2	contributions .....	¥ 49,991,040
3	(iv) Others.....	7,119,960
4	Any portion of the dollar sum appropriated herein that remains unused upon	
5	completion of this exchange transaction shall lapse immediately.	
6	(i) United Nations Mission	
7	(i) Personnel expenses .....	\$ 172,200
8	(ii) Travel.....	42,400
9	(iii) Contractual services, grants, subsidies, and	
10	contributions .....	229,000
11	(iv) Others.....	56,000
12	(3) Department of Finance and Administration	
13	(a) Administration (including investment management unit)	
14	(i) Personnel expenses .....	127,800
15	(ii) Travel.....	85,600
16	(iii) Contractual services, grants, subsidies, and	
17	contributions .....	1,000
18	(iv) Others.....	83,600
19	(b) Division of National Treasury	
20	(i) Personnel expenses .....	320,700
21	(ii) Travel.....	27,300
22	(iii) Contractual services, grants, subsidies, and	
23	contributions .....	66,300
24	(iv) Others.....	55,800
25	(c) Division of Custom and Tax Administration	

1	(i) Personnel expenses .....	\$ 577,200
2	(ii) Travel.....	41,000
3	(iii) Contractual services, grants, subsidies, and	
4	contributions .....	75,396
5	(iv) Others.....	62,400
6	(d) Division of Budget	
7	(i) Personnel expenses .....	83,900
8	(ii) Travel.....	15,800
9	(iii) Contractual services, grants, subsidies, and	
10	contributions .....	1,000
11	(iv) Others.....	16,300
12	(e) Division of Personnel Administration	
13	(i) Personnel expenses .....	74,200
14	(ii) Travel.....	137,700
15	(iii) Contractual services, grants, subsidies, and	
16	contributions .....	480,680
17	(iv) Others.....	10,200
18	(4) Department of Economic Affairs	
19	(a) Administration	
20	(i) Personnel expenses .....	134,200
21	(ii) Travel.....	31,100
22	(iii) Contractual services, grants, subsidies, and	
23	contributions .....	37,500
24	(iv) Others.....	107,800
25	(b) Division of Economic Policy	

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1	(i) Personnel expenses .....	\$ 248,600
2	(ii) Travel.....	48,300
3	(iii) Contractual services, grants, subsidies, and	
4	contributions .....	-0-
5	(iv) Others.....	-0-
6	(c) Division of Sectoral Development	
7	(i) Personnel expenses .....	302,700
8	(ii) Travel.....	60,300
9	(iii) Contractual services, grants, subsidies, and	
10	contributions .....	-0-
11	(iv) Others.....	-0-
12	(5) Department of Transportation Communication and	
13	Infrastructure	
14	(a) Administration	
15	(i) Personnel expenses .....	80,000
16	(ii) Travel.....	10,600
17	(iii) Contractual services, grants, subsidies, and	
18	contributions .....	2,000
19	(iv) Others.....	26,180
20	(b) Division of Transportation and Communication	
21	(i) Personnel expenses .....	198,100
22	(ii) Travel.....	46,100
23	(iii) Contractual services, grants, subsidies, and	
24	contributions .....	532,200
25	(iv) Others.....	-0-

1	(c) Division of Infrastructure	
2	(i) Personnel expenses .....	\$ 195,600
3	(ii) Travel.....	12,400
4	(iii) Contractual services, grants, subsidies, and	
5	contributions .....	55,000
6	(iv) Others.....	92,847
7	(6) Department of Health, Education and	
8	Social Affairs	
9	(a) Administration	
10	(i) Personnel expenses .....	83,800
11	(ii) Travel.....	13,700
12	(iii) Contractual services, grants, subsidies, and	
13	contributions .....	3,000
14	(iv) Others.....	12,600
15	(b) Division of Health	
16	(i) Personnel expenses .....	330,300
17	(ii) Travel.....	28,400
18	(iii) Contractual services, grants, subsidies, and	
19	contributions .....	-0-
20	(iv) Others.....	50,300
21	(c) Division of Education	
22	(i) Personnel expenses .....	277,765
23	(ii) Travel.....	35,100
24	(iii) Contractual services, grants, subsidies, and	
25	contributions .....	21,136

1	(iv) Others.....	\$ 48,250
2	(d) Archives & Historic Preservation Unit	
3	(i) Personnel expenses .....	62,400
4	(ii) Travel.....	1,000
5	(iii) Contractual services, grants, subsidies, and	
6	contributions .....	14,460
7	(iv) Others.....	1,800
8	(e) Women's Interests Unit	
9	(i) Personnel expenses .....	19,400
10	(ii) Travel.....	-0-
11	(iii) Contractual services, grants, subsidies, and	
12	contributions .....	-0-
13	(iv) Others.....	-0-
14	(f) Sports and Youth Unit	
15	(i) Personnel expenses .....	46,200
16	(ii) Travel.....	-0-
17	(iii) Contractual services, grants, subsidies, and	
18	contributions .....	-0-
19	(iv) Others.....	-0-
20	(7) Department of Justice	
21	(a) Administration	
22	(i) Personnel expenses .....	92,100
23	(ii) Travel.....	11,700
24	(iii) Contractual services, grants, subsidies, and	
25	contributions .....	5,600



1	(iv) Others.....	\$ 29,650
2	(b) Division of Litigation	
3	(i) Personnel expenses .....	101,200
4	(ii) Travel.....	20,900
5	(iii) Contractual services, grants, subsidies, and	
6	contributions .....	3,800
7	(iv) Others.....	-0-
8	(c) Division of Law	
9	(i) Personnel expenses .....	134,900
10	(ii) Travel.....	38,500
11	(iii) Contractual services, grants, subsidies, and	
12	contributions .....	-0-
13	(iv) Others.....	-0-
14	(d) Division of Immigration and Labor	
15	(i) Personnel expenses .....	312,200
16	(ii) Travel.....	23,195
17	(iii) Contractual services, grants, subsidies, and	
18	contributions .....	37,700
19	(iv) Others.....	51,300
20	(e) FSM National Police - (\$519,000 of the funds appropriated	
21	for this Division shall be deemed to come from funds available under section	
22	216 (a) (1) of the Compact of Free Association)	
23	(i) Personnel expenses .....	1,012,700
24	(ii) Travel.....	20,900
25	(iii) Contractual services, grants, subsidies, and	

1	contributions .....	\$ 160,000
2	(iv) Others.....	810,100
3	(8) Office of the Public Defender	
4	(a) Personnel expenses.....	369,800
5	(b) Travel .....	32,800
6	(c) Contractual services, grants, subsidies, and	
7	contributions .....	14,200
8	(d) Others .....	51,200
9	Section 2. <u>Operating expenses of the Legislative Branch.</u>	
10	The sum of \$2,726,200, or so much thereof as may be necessary, is hereby appropriated	
11	from the General Fund of the Federated States of Micronesia for the fiscal year ending	
12	September 30, 1999, for the operations of the Legislative Branch of the National	
13	Government of the Federated States of Micronesia during fiscal year 1999. The sum	
14	appropriated by this section shall be apportioned as follows:	
15	(1) Office of the Speaker and Members	
16	(a) Personnel expenses .....	\$ 407,700
17	(b) Travel.....	413,000
18	(funds may also be used for the chartering of vessels to outer is[lands])	
19	(c) Contractual services, grants, subsidies, and	
20	contributions .....	244,800
21	(d) Others.....	100,000
22	(2) Staff Offices	
23	(a) Personnel expenses .....	701,700
24	(b) Travel.....	179,100
25	(c) Contractual services, grants, subsidies, and	

1	contributions .....	\$ 86,000
2	(d) Others .....	178,300
3	(3) Kosrae Delegation Office .....	52,600
4	(4) Pohnpei Delegation Office.....	111,200
5	(5) Chuuk Delegation Office.....	176,800
6	(6) Yap Delegation Office.....	75,000

7           Section 3. Operating expenses of the National Judiciary.

8   The sum of \$956,700, or so much thereof as may be necessary, is hereby appropriated  
9   from the General Fund of the Federated States of Micronesia for the fiscal year ending  
10   September 30, 1999, for the operations of the National Judiciary of the Federated States of  
11   Micronesia during fiscal year 1999. The sum appropriated by this section shall be  
12   apportioned as follows:

13	(1) Personnel expenses .....	\$ 507,000
14	(2) Travel.....	113,200
15	(3) Contractual services, grants, subsidies, and contributions..	109,600
16	(4) Others .....	226,900

17           Section 4. Operating expenses of the Public Auditor. The sum of \$492,900, or so  
18   much thereof as may be necessary, is hereby appropriated from the General Fund of the  
19   Federated States of Micronesia for the fiscal year ending September 30, 1999, for the  
20   operations of the Public Auditor's Office during fiscal year 1999. The sum appropriated by  
21   this section shall be apportioned as follows:

22	(1) Personnel expenses .....	\$ 335,900
23	(2) Travel .....	109,200
24	(3) Contractual services, grants, subsidies, and	
25	contributions .....	13,500

1	(4) Others .....	\$ 34,300
2	Section 5. <u>Operating expenses of agencies of the National</u>	
3	<u>Government</u> . The sum of \$1,554,411, or so much thereof as may be necessary,	
4	is hereby appropriated from the General Fund of the Federated States of	
5	Micronesia for the fiscal year ending September 30, 1999, for the operations	
6	of independent agencies, commissions, authorities, boards, bureaus, and other	
7	organizations of the National Government of the Federated States of Micronesia	
8	during fiscal year 1999. The sum appropriated by this section shall be	
9	apportioned as follows:	
10	(1) Micronesian Maritime Authority	
11	(a) Personnel expenses .....	\$ 171,092
12	(b) Travel .....	102,602
13	(c) Contractual services, grants, subsidies, and	
14	contributions .....	41,300
15	(d) Others .....	34,200
16	(2) Board of Regents - College of Micronesia-FSM	
17	(a) Personnel expenses .....	-0-
18	(b) Travel .....	36,700
19	(c) Contractual services, grants, subsidies, and	
20	contributions .....	25,000
21	(d) Others .....	15,040
22	(3) Federated States of Micronesia Coconut Development	
23	Authority	
24	(a) Personnel expenses .....	70,400
25	(b) Travel .....	23,570

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1	(c) Contractual services, grants, subsidies, and	
2	contributions .....	\$ 26,000
3	(d) Others .....	14,800
4	(4) National Postal Service	
5	(a) Personnel expenses .....	416,697
6	(b) Travel .....	57,800
7	(c) Contractual services, grants, subsidies, and	
8	contributions .....	90,600
9	(d) Others .....	81,000
10	(5) FSM Banking Board	
11	(a) Personnel expenses .....	45,800
12	(b) Travel .....	17,200
13	(c) Contractual services, grants, subsidies, and	
14	contributions .....	11,900
15	(d) Others .....	22,710
16	(6) National Fisheries Corporation .....	250,000

17 Section 6. Energy budget. The sum of \$304,152, or so much thereof as may be  
18 necessary, is hereby appropriated from the General Fund of the Federated States of  
19 Micronesia for the fiscal year ending September 30, 1999, to pay utility bills for National  
20 Government offices, operate and maintain standby generators, and establish energy  
21 conservation programs, including the purchase and installation of energy efficient air  
22 conditioners and other appliances for National Government buildings. The funds  
23 appropriated under this section shall be deemed to come from the funds available under  
24 section 214(b) of the Compact of Free Association.

25 Section 7. Operating expenses of the Telecommunications Corporation. The sum of

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1 \$882,000, or so much thereof as may be necessary, is hereby appropriated from the  
2 General Fund of the Federated States of Micronesia for the fiscal year ending September 30,  
3 1999, for the operations of the Telecommunications Corporation of the Federated States of  
4 Micronesia during fiscal year 1999. The funds appropriated under this section shall be  
5 deemed to come from the funds available under section 215(a)(2) of the Compact of Free  
6 Association.

7 Section 8. Compact section 216(a)(2) programs. The sum of \$118,000, or so much  
8 thereof as may be necessary, is hereby appropriated from the General Fund of the  
9 Federated States of Micronesia for the fiscal year ending September 30, 1999, for Compact  
10 section 216(a)(2) programs and projects of the National Government of the Federated  
11 States of Micronesia during fiscal year 1999. The funds appropriated under this section shall  
12 be deemed to come from the funds available under section 216(a)(2) of the Compact of  
13 Free Association. The sum appropriated by this section shall be apportioned, as follows:

14 (1) Teams of health specialists visiting the Federated  
15 States of Micronesia..... \$ 70,000  
16 (2) Enhancement of local capability to provide  
17 essential quality care in all FSM hospitals..... 48,000

18 Section 9. College of Micronesia-FSM. The sum of \$2,960,000, or so much thereof as  
19 may be necessary, is hereby appropriated from the General Fund of the Federated States of  
20 Micronesia for the fiscal year ending September 30, 1999, to the College of Micronesia-FSM  
21 to defray costs associated with the instruction of students and the operations and  
22 maintenance of the College. Of the total funds appropriated under this section, \$800,000  
23 shall be deemed to come from funds available under section 216(a)(3) of the Compact of  
24 Free Association.

25 Section 10. Post-secondary educational assistance. The sum of \$1,089,700, or so

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much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1999, for the purpose of providing post-secondary educational assistance. The funds appropriated under this section shall be deemed to come from funds available under section 216(a)(3) of the Compact of Free Association. The sum appropriated by this section shall be apportioned as follows:

(1) Kosrae State.....	\$ 128,661
(2) Pohnpei State.....	288,003
(3) Chuuk State.....	411,716
(4) Yap State .....	161,320
(5) Graduate student scholarships.....	100,000

Section 11. Other National Government programs, grants, subsidies, contributions, and refunds. The sum of \$4,592,649, or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1999, for special programs, grants, subsidies, contributions, and refunds of the National Government of the Federated States of Micronesia during fiscal year 1999. The sum appropriated by this section shall be apportioned as follows:

(1) Special programs:

(a) FSM Aquaculture Center .....	120,400
(b) Joint Committee on Compact Economic Negotiations (JCN) .....	609,875
(c) National Government Employees Early Retirement Fund.....	896,506

(2) Subsidies and contributions:

(a) Forum Secretariat .....	35,000
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1	(b) Pacific Island Development Program .....	15,000
2	(c) The Pacific Community (formerly SPC) .....	30,000
3	(d) South Pacific Regional Environmental Program (SPREP).....	7,375
4	(e) United Nations Economic and Social Commission for	
5	Asia and the Pacific (ESCAP).....	5,000
6	(f) Forum Fisheries Agency (FFA).....	21,000
7	(g) United Nations Development Program (UNDP).....	3,000
8	(h) United Nations Fund for Population Activity	
9	(UNFPA).....	3,000
10	(i) United Nations Membership Fee for the FSM (UN).....	180,000
11	(j) East West Center .....	10,000
12	(k) Pacific Asian Travel Association .....	5,000
13	(l) Coordinating Committee for Offshore Minerals	
14	Prospecting (South Pacific) .....	8,000
15	(m) Micronesian Legal Services Corporation (MLSC).....	150,000
16	(n) International Civil Aviation Organization(ICAO).....	28,050
17	(o) State Joint Law Enforcement	
18	(i) Kosrae.....	70,000
19	(ii) Pohnpei .....	140,000
20	(iii) Chuuk .....	160,000
21	(iv) Yap.....	90,000
22	(p) Aid to Non-public Schools.....	400,000
23	(q) BYRD Scholarship Program.....	15,000
24	(r) Financial Assistance for Students Studying at CMI	
25	and PCC.....	50,000



1	(s) State judiciaries	
2	(i) Kosrae.....	65,000
3	(ii) Pohnpei.....	90,000
4	(iii) Chuuk.....	90,000
5	(iv) Yap.....	70,000
6	(t) Continental Airlines Scholarship.....	35,000
7	(u) Copra Subsidy.....	200,000
8	(v) World Health Organization (WHO).....	41,385
9	(w) COM Treaty Obligation.....	25,000
10	(x) Micronesian Maritime Fisheries Academy (MMFA).....	150,000
11	(y) Asia Pacific Telecommunity (APT).....	9,000
12	(z) Plant Protection Program.....	60,000
13	(aa) National Board of Nursing.....	38,000
14	(bb) International Telecommunication Union (ITU).....	57,639
15	(cc) Pacific Islands Health Officer Associations (PIHOA).....	50,000
16	(dd) Asian Pacific Coconut Community.....	15,500
17	(ee) National Close Up Local Program.....	60,719
18	(ff) FSM Amateur Sports Association.....	71,000
19	(gg) National Elections.....	412,200

20       Section 12. Compact section 221(b) programs. The sum of \$457,925, or so much  
21 thereof as may be necessary, is hereby appropriated from the General Fund of the  
22 Federated States of Micronesia for the fiscal year ending September 30, 1999, for Compact  
23 section 221(b) programs and projects of the National Government of the Federated States  
24 of Micronesia during fiscal year 1999. The funds appropriated under this section shall be  
25 deemed to come from funds available under section 221(b) of the Compact of Free

1	Association. The sum appropriated by this section shall be apportioned as follows:	
2	(1) Health Services programs:	
3	(a) Professional support services.....	6,500
4	(b) Health planning & work force development .....	13,500
5	(c) Health and Vital statistics.....	25,900
6	(d) Tuberculosis prevention and control .....	7,700
7	(e) Leprosy prevention and control .....	8,000
8	(f) Family health/planning .....	10,900
9	(g) Health education .....	4,000
10	(h) Immunization program.....	10,000
11	(i) Sexually transmitted disease.....	5,000
12	(j) Maternal and child health (MCH) services program .....	5,000
13	(k) Mental health services .....	14,000
14	(l) Substance abuse prevention and treatment.....	7,100
15	(m) AIDS prevention and control.....	6,000
16	(n) Tobacco prevention and control.....	4,900
17	(o) FSM food protection, inspection and certification .....	20,900
18	(p) Nutrition services program .....	11,300
19	(q) National women's interest program.....	14,800
20	(r) FSM National Youth Activities Program .....	10,800
21	(s) FSM Youth Leadership Conference .....	15,100
22	(t) FSM Boy Scouts Program.....	2,000
23	(u) FSM Sports Development Program .....	36,000
24	(2) Education programs:	
25	(a) FSM National Standardized Testing Program.....	38,900

1	(b) Developing Education Ties to Economic Growth.....	48,800
2	(c) College Admission Test Counseling (CAT-C) Program ...	28,900
3	(d) Cultural Social Studies Standards Development.....	24,300
4	(e) FSM History Development.....	26,800
5	(f) Teacher Certification Program.....	18,825
6	(g) Teacher Child Parent Program.....	32,000

7       Section 13. Development budget - Appropriation. The sum of \$3,157,000,  
8 or so much thereof as may be necessary, is hereby appropriated from the General  
9 Fund of the Federated States of Micronesia for the fiscal year ending September  
10 30, 1999, for capital improvement and development programs and projects of the  
11 National Government of the Federated States of Micronesia during fiscal year  
12 1999. Of the funds appropriated under this section, \$857,000 (for lines (1), (3)  
13 and (5) shall be deemed to come from the capital account of the Compact of Free  
14 Association. The sum appropriated by this section shall be apportioned as  
15 follows:

16	(1) National staff upgrading program (Division of Personnel	
17	Administration.....	\$ 130,000
18	(2) National Visitors Council (Department of Economic Affairs)...	200,000
19	(3) Regional livestock project (Department of Economic Affairs)	187,000
20	(4) FSM 2000 population and housing census (Department of	
21	Economic Affairs).....	100,000
22	(5) Airfreight Development Project (NFC).....	540,000
23	(6) FSM Trust Fund .....	2,000,000

24       Section 14. Employment ceilings. Subsection (1) sets forth the maximum  
25 number of positions that may be hired by branches and agencies of the National

## 1 Government.

## 2 (1) Positions funded for fiscal year 1999.

## 3 Executive Branch

4 Office of the President..... 16

5 Foreign Affairs ..... 39

6 Finance and Administration ..... 94

7 Economic Affairs..... 46

8 Transportation, Communication and Infrastructure 29

9 Health, Education and Social Affairs..... 50

10 Justice..... 31

11 Public Defender..... 23

## 12 Legislative Branch

13 Congress ..... 60

## 14 Judicial Branch

15 National Judiciary ..... 26

16 Public Auditor ..... 18

## 17 Agencies

18 Micronesian Maritime Authority ..... 10

19 Board of Regents of the College of Micronesia ..... 0

20 Federated States of Micronesia Coconut

21 Development Authority..... 4

22 National Postal Service..... 26

23 FSM Banking Board..... 3

24 (2) The number of positions authorized applies individually to each of the

25 departments and offices of the Executive and Legislative Branches, the National

1 Judiciary, the Public Auditor, and to the agencies as provided in subsection (1) of this  
2 section, except that the President may transfer up to 12 positions between the  
3 departments and offices of the Executive Branch. This authorization of positions  
4 covers all permanent employees and all contract personnel whose employment extends  
5 for more than 90 days. No funds may be expended for unbudgeted positions.

6 Section 15. Reprogramming.

7 (1) The President may reprogram up to 10 percent to and from the funds  
8 appropriated to each department and office in section 1. The President or his designee may  
9 reprogram up to 15 percent to and from the funds appropriated to any division, and may  
10 reprogram up to 15 percent to and from each line within the budget of a division, within a  
11 department or office or its functional equivalent.

12 (2) The Speaker or his designee may reprogram up to 10 percent to and from  
13 the funds appropriated to each of the subsections in section 2, and may reprogram up to  
14 15 percent to and from the funds appropriated in each of the lines within the subsections of  
15 section 2.

16 (3) The Chief Justice or his designee may reprogram up to 15 percent to and  
17 from the funds appropriated in each of the lines in section 3.

18 (4) The Public Auditor may reprogram up to 15 percent to and from the funds  
19 appropriated in each of the lines in section 4.

20 (5) Allottees of funds may reprogram up to 15 percent to and from the funds  
21 appropriated in each of the lines within the subsections of section 5.

22 (6) Notwithstanding the provisions of subsections (1) through (5) of this  
23 section, no funds may be reprogrammed to or from any personnel account (except as  
24 necessary in conjunction with a position transfer permitted under section 14(2) of this act).

25 Section 16. Allotment and management of funds and lapse date. All funds


1 appropriated by this act shall be allotted, managed, administered, and accounted for in  
2 accordance with applicable law, including, but not limited to, the Financial Management Act of  
3 1979; PROVIDED, however, that the funds appropriated to Chuuk State under subsection (3)  
4 of section 10 of this act shall be retained in the General Fund of the Federated States of  
5 Micronesia until a scholarship recipient is identified to the President or the President's  
6 designee, at which time scholarship funds in the amount of the scholarship award shall be  
7 disbursed directly to the educational institution in the form of a two-party check payable to  
8 both the scholarship recipient and the educational institution he or she is attending; and  
9 PROVIDED FURTHER, that the allottees for the funds appropriated under subsection (2)(o)  
10 of section 11 of this act shall be the Governors of the respective States, and no funds  
11 appropriated under subsection (2)(o) of section 11 of this act shall be disbursed from the  
12 General Fund to the allottees unless the President certifies that the State involved has  
13 entered into a joint law enforcement agreement for the period of October 1, 1998, to  
14 September 30, 1999, with the National Government pursuant to chapter 12 of the title 12 of  
15 the Code of the Federated States of Micronesia; and PROVIDED FURTHER, that the allottees  
16 for the funds appropriated under subsection (2)(s) of section 11 of this act shall be the  
17 Chief Justices of the respective States; and PROVIDED FURTHER, that the allottee of the  
18 funds appropriated under subsection (1) of section 13 shall be the Personnel Officer of the  
19 Division of Personnel Administration. Each allottee shall be responsible for ensuring that  
20 these funds, or so much thereof as may be necessary, are used solely for the purpose  
21 specified in this act, and that no obligations are incurred in excess of the sum appropriated.  
22 The authority of the allottees to obligate funds appropriated by this act shall lapse as of  
23 September 30, 1999; PROVIDED, however, that the authority of the allottees to obligate  
24 funds appropriated by sections 7, 9, 10, and 13 shall not lapse; and PROVIDED FURTHER,  
25 that the authority of the allottee to obligate funds appropriated by section 13(4) shall lapse

1 as of September 30, 2000.

2 Section 17. Effective date. This act shall become law upon approval by the President  
3 of the Federated States of Micronesia or upon its becoming law without such approval.

4  
5 Date: 5/14/98

Introduced by:

  
Joseph J. Urusemal  
(by request)

## TENTH CONGRESS OF THE FEDERATED STATES OF MICRONESIA

THIRD REGULAR SESSION, 1998

CONGRESSIONAL BILL NO. 10-245, C.D.1, C.D.2

## AN ACT

To appropriate the sum of \$32,599,759 from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1999, for the operations of the Executive Branch, Legislative Branch, Judicial Branch, Public Auditor, agencies of the National Government, and for special programs, grants, subsidies, contributions, and refunds of the National Government during fiscal year 1999; to establish a budget for Compact sections 214(b), 215(a)(2), 216(a)(2), 216(a)(3), and 221(b) and to appropriate special funds available therefor under the Compact; to establish a development budget and to appropriate funds available therefor under the Compact; and for other purposes.

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

1	Section 1. <u>Operating expenses of the Executive Branch.</u> The sum of	
2	\$12,915,006, or so much thereof as may be necessary, is hereby appropriated from	
3	the General Fund of the Federated States of Micronesia for the fiscal year ending	
4	September 30, 1999, for the operations of the Executive Branch of the National	
5	Government of the Federated States of Micronesia during fiscal year 1999. Of the	
6	total funds appropriated under this section, \$519,000 shall be deemed to come from	
7	the funds available under section 216(a)(1) of the Compact of Free Association. The	
8	sum appropriated by this section shall be apportioned as follows:	
9	(1) Office of the President	
10	(a) Office of the President	
11	(i) Personnel expenses .....	\$ 215,800
12	(ii) Travel.....	45,000
13	(iii) Contractual services, grants, subsidies, and	
14	contributions .....	130,800
15	(iv) Others.....	61,600
16	(b) Office of Public Information	
17	(i) Personnel expenses .....	41,400
18	(ii) Travel.....	4,770
19	(iii) Contractual services, grants, subsidies, and	
20	contributions .....	2,500
21	(iv) Others.....	30,900
22	(c) Disaster Control Office	



1	(i) Personnel expenses .....	\$ 24,610
2	(ii) Travel.....	-0-
3	(iii) Contractual services, grants, subsidies, and	
4	contributions .....	-0-
5	(iv) Others.....	-0-
6	(2) Department of Foreign Affairs	
7	(a) Administration	
8	(i) Personnel expenses .....	84,700
9	(ii) Travel.....	49,320
10	(iii) Contractual services, grants, subsidies, and	
11	contributions .....	10,000
12	(iv) Others.....	60,000
13	(b) Division of Asian, Pacific, African & Multilateral Affairs	
14	(i) Personnel expenses .....	129,700
15	(ii) Travel.....	-0-
16	(iii) Contractual services, grants, subsidies, and	
17	contributions .....	-0-
18	(iv) Others.....	-0-
19	(c) FSM Consulate - Guam	
20	(i) Personnel expenses .....	103,900
21	(ii) Travel.....	4,500
22	(iii) Contractual services, grants, subsidies, and	
23	contributions .....	90,234
24	(iv) Others.....	16,550
25	(d) FSM Consulate - Honolulu	

1	(i) Personnel expenses .....	\$ 123,728
2	(ii) Travel.....	3,420
3	(iii) Contractual services, grants, subsidies, and	
4	contributions .....	92,300
5	(iv) Others.....	20,700
6	(e) FSM Embassy - Washington, D.C.	
7	(i) Personnel expenses .....	174,400
8	(ii) Travel.....	40,455
9	(iii) Contractual services, grants, subsidies, and	
10	contributions .....	497,000
11	(iv) Others.....	59,500
12	(f) FSM Embassy - Suva, Fiji	
13	(i) Personnel expenses .....	122,500
14	(ii) Travel.....	18,266
15	(iii) Contractual services, grants, subsidies, and	
16	contributions .....	61,500
17	(iv) Others.....	34,550
18	(g) Division of American and European Affairs	
19	(i) Personnel expenses .....	44,800
20	(ii) Travel.....	-0-
21	(iii) Contractual services, grants, subsidies,	
22	and contributions .....	-0-
23	(iv) Others.....	-0-
24	(h) FSM Embassy - Tokyo, Japan, the sum of \$715,811,	
25	or so much thereof as may be necessary, for the purchase of 93,055,440 yen,	

to be allocated as follows:

(i) Personnel expenses .....	¥	30,612,000
(ii) Travel.....		2,516,400
(iii) Contractual services, grants, subsidies, and contributions .....		52,807,080
(iv) Others.....		7,119,960

Any portion of the dollar sum appropriated herein that remains unused  
upon completion of this exchange transaction shall lapse immediately.

(i) United Nations Mission

(i) Personnel expenses .....	\$	158,589
(ii) Travel.....		38,160
(iii) Contractual services, grants, subsidies, and contributions .....		267,182
(iv) Others.....		56,000

(3) Department of Finance and Administration

(a) Administration (including investment management unit)

(i) Personnel expenses .....		128,300
(ii) Travel.....		51,750
(iii) Contractual services, grants, subsidies, and contributions .....		1,000
(iv) Others.....		57,600

(b) Division of National Treasury

(i) Personnel expenses .....		320,800
(ii) Travel.....		18,540
(iii) Contractual services, grants, subsidies, and		

1	contributions .....	\$	66,300
2	(iv) Others.....		56,420
3	(c) Division of Custom and Tax Administration		
4	(i) Personnel expenses .....		568,600
5	(ii) Travel.....		36,900
6	(iii) Contractual services, grants, subsidies, and		
7	contributions .....		75,396
8	(iv) Others.....		52,400
9	(d) Division of Budget		
10	(i) Personnel expenses .....		83,200
11	(ii) Travel.....		14,220
12	(iii) Contractual services, grants, subsidies, and		
13	contributions .....		1,000
14	(iv) Others.....		16,300
15	(e) Division of Personnel Administration		
16	(i) Personnel expenses .....		73,000
17	(ii) Travel.....		1,530
18	(iii) Recruitment and repatriation.....		136,000
19	(iv) Contractual services, grants, subsidies, and		
20	contributions .....		500
21	(v) Staff housing.....		480,180
22	(vi) Others.....		10,500
23	(4) Department of Economic Affairs		
24	(a) Administration		
25	(i) Personnel expenses .....		144,900

1	(ii) Travel.....	\$ 27,990
2	(iii) Contractual services, grants, subsidies, and	
3	contributions .....	37,500
4	(iv) Others.....	100,000
5	(b) Division of Economic Policy	
6	(i) Personnel expenses .....	238,032
7	(ii) Travel.....	38,700
8	(iii) Contractual services, grants, subsidies, and	
9	contributions .....	-0-
10	(iv) Others.....	-0-
11	(c) Division of Sectoral Development	
12	(i) Personnel expenses .....	302,700
13	(ii) Travel.....	45,000
14	(iii) Contractual services, grants, subsidies, and	
15	contributions .....	-0-
16	(iv) Others.....	-0-
17	(5) Department of Transportation Communication and	
18	Infrastructure	
19	(a) Administration	
20	(i) Personnel expenses .....	80,000
21	(ii) Travel.....	18,090
22	(iii) Contractual services, grants, subsidies, and	
23	contributions .....	2,000
24	(iv) Others.....	26,180
25	(b) Division of Transportation and Communication	

1	(i) Personnel expenses .....	\$ 200,300
2	(ii) Travel.....	50,670
3	(iii) Contractual services, grants, subsidies, and	
4	contributions .....	960,500
5	(iv) Others.....	-0-
6	(c) Division of Infrastructure	
7	(i) Personnel expenses .....	180,000
8	(ii) Travel.....	25,200
9	(iii) Contractual services, grants, subsidies, and	
10	contributions .....	55,000
11	(iv) Others.....	92,847
12	(6) Department of Health, Education and	
13	Social Affairs	
14	(a) Administration	
15	(i) Personnel expenses .....	83,800
16	(ii) Travel.....	12,330
17	(iii) Contractual services, grants, subsidies,	
18	and contributions .....	3,000
19	(iv) Others.....	12,600
20	(b) Division of Health	
21	(i) Personnel expenses .....	306,500
22	(ii) Travel.....	25,560
23	(iii) Contractual services, grants, subsidies,	
24	and contributions .....	-0-
25	(iv) Others.....	50,300

1	(c) Division of Education	
2	(i) Personnel expenses .....	\$ 276,700
3	(ii) Travel.....	31,590
4	(iii) Contractual services, grants, subsidies, and	
5	contributions .....	21,136
6	(iv) Others.....	48,250
7	(d) Archives & Historic Preservation Unit	
8	(i) Personnel expenses .....	62,400
9	(ii) Travel.....	900
10	(iii) Contractual services, grants, subsidies, and	
11	contributions .....	14,460
12	(iv) Others.....	1,800
13	(e) Women's Interests Unit	
14	(i) Personnel expenses .....	19,400
15	(ii) Travel.....	-0-
16	(iii) Contractual services, grants, subsidies, and	
17	contributions .....	-0-
18	(iv) Others.....	-0-
19	(f) Sports and Youth Unit	
20	(i) Personnel expenses .....	46,200
21	(ii) Travel.....	-0-
22	(iii) Contractual services, grants, subsidies, and	
23	contributions .....	-0-
24	(iv) Others.....	-0-
25	(7) Department of Justice	

1	(a) Administration	
2	(i) Personnel expenses .....	\$ 93,600
3	(ii) Travel.....	10,530
4	(iii) Contractual services, grants, subsidies, and	
5	contributions .....	5,600
6	(iv) Others.....	29,650
7	(b) Division of Litigation	
8	(i) Personnel expenses .....	101,200
9	(ii) Travel.....	18,810
10	(iii) Contractual services, grants, subsidies, and	
11	contributions .....	3,800
12	(iv) Others.....	-0-
13	(c) Division of Law	
14	(i) Personnel expenses .....	101,180
15	(ii) Travel.....	34,650
16	(iii) Contractual services, grants, subsidies, and	
17	contributions .....	-0-
18	(iv) Others.....	-0-
19	(d) Division of Immigration and Labor	
20	(i) Personnel expenses .....	425,150
21	(ii) Travel.....	22,590
22	(iii) Contractual services, grants, subsidies, and	
23	contributions .....	43,100
24	(iv) Others.....	73,300
25	(e) FSM National Police - (\$519,000 of the funds appropriated	



for this Division shall be deemed to come from funds available under section 216 (a) (1) of the Compact of Free Association)

(i) Personnel expenses .....	\$ 1,002,800
(ii) Travel.....	18,810
(iii) Contractual services, grants, subsidies, and contributions .....	160,000
(iv) Others.....	710,000

(8) Office of the Public Defender

(a) Personnel expenses.....	437,200
(b) Travel .....	29,520
(c) Contractual services, grants, subsidies, and contributions .....	14,200
(d) Others .....	51,200

Section 2. Operating expenses of the Legislative Branch.

The sum of \$2,757,345, or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1999, for the operations of the Legislative Branch of the National Government of the Federated States of Micronesia during fiscal year 1999. The sum appropriated by this section shall be apportioned as follows:

(1) Office of the Speaker and Members

(a) Personnel expenses .....	\$ 407,700
(b) Travel.....	424,800
(funds may also be used for the chartering of vessels to outer islands)	
(c) Contractual services, grants, subsidies, and contributions .....	325,800

1	(d) Others.....	\$	-0-
2	(e) Foreign legislative delegation/Legislative conference/		
3	Congressional travel for high level bilateral or international meetings.....		75,000
4	(2) Staff Offices		
5	(a) Personnel expenses .....		649,545
6	(b) Travel.....		99,900
7	(c) Recruitment and repatriation.....		30,000
8	(d) Contractual services, grants, subsidies, and		
9	contributions .....		171,000
10	(e) Others.....		158,000
11	(3) Kosrae Delegation Office .....		52,600
12	(4) Pohnpei Delegation Office.....		111,200
13	(5) Chuuk Delegation Office.....		176,800
14	(6) Yap Delegation Office.....		75,000
15	Section 3. <u>Operating expenses of the National Judiciary.</u>		
16	The sum of \$1,006,030, or so much thereof as may be necessary, is hereby		
17	appropriated from the General Fund of the Federated States of Micronesia for the		
18	fiscal year ending September 30, 1999, for the operations of the National Judiciary of		
19	the Federated States of Micronesia during fiscal year 1999. The sum appropriated by		
20	this section shall be apportioned as follows:		
21	(1) Personnel expenses .....	\$	544,500
22	(2) Travel.....		105,030
23	(3) Contractual services, grants, subsidies, and contributions		109,600
24	(4) National Law Day.....		28,000
25	(5) Others .....		218,900

Section 4. Operating expenses of the Public Auditor. The sum of \$475,700, or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1999, for the operations of the Public Auditor's Office during fiscal year 1999. The sum appropriated by this section shall be apportioned as follows:

(1) Personnel expenses.....	\$	335,900
(2) Travel .....		72,000
(3) Recruitment and repatriation .....		20,000
(4) Contractual services, grants, subsidies, and contributions .....		13,500
(5) Others .....		34,300

Section 5. Operating expenses of agencies of the National Government. The sum of \$1,259,442, or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1999, for the operations of independent agencies, commissions, authorities, boards, bureaus, and other organizations of the National Government of the Federated States of Micronesia during fiscal year 1999. The sum appropriated by this section shall be apportioned as follows:

(1) Micronesian Maritime Authority		
(a) Personnel expenses.....	\$	171,092
(b) Travel .....		92,342
(c) Contractual services, grants, subsidies, and contributions .....		41,300
(d) Others .....		34,200

1	(2) Board of Regents - College of Micronesia-FSM	
2	(a) Personnel expenses.....	\$ -0-
3	(b) Travel .....	33,030
4	(c) Contractual services, grants, subsidies, and	
5	contributions .....	10,000
6	(d) Fund raising .....	15,000
7	(e) Others.....	15,040
8	(3) Federated States of Micronesia Coconut Development	
9	Authority	
10	(a) Personnel expenses.....	70,400
11	(b) Travel .....	19,800
12	(c) Contractual services, grants, subsidies, and	
13	contributions .....	34,000
14	(d) Others .....	14,800
15	(4) National Postal Service	
16	(a) Personnel expenses.....	413,848
17	(b) Travel .....	37,800
18	(c) Contractual services, grants, subsidies, and	
19	contributions .....	80,000
20	(d) Others .....	81,000
21	(5) FSM Banking Board	
22	(a) Personnel expenses.....	45,800
23	(b) Travel .....	15,480
24	(c) Contractual services, grants, subsidies, and	
25	contributions .....	11,900

(d) Others ..... \$ 22,610

Section 6. Energy budget. The sum of \$304,152, or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1999, to pay utility bills for National Government offices, operate and maintain standby generators, and establish energy conservation programs, including the purchase and installation of energy efficient air conditioners and other appliances for National Government buildings. The funds appropriated under this section shall be deemed to come from the funds available under section 214(b) of the Compact of Free Association. The funds appropriated under this section shall be apportioned as follows:

(1) Executive branch .....	\$ 154,152
(2) Congress.....	100,000
(3) National judiciary.....	50,000

Section 7. Operating expenses of the Telecommunications Corporation. The sum of \$882,000, or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1999, for the operations of the Telecommunications Corporation of the Federated States of Micronesia during fiscal year 1999. The funds appropriated under this section shall be deemed to come from the funds available under section 215(a)(2) of the Compact of Free Association.

Section 8. Compact section 216(a)(2) programs. The sum of \$118,000, or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1999, for Compact section 216(a)(2) programs and projects of the National Government of

the Federated States of Micronesia during fiscal year 1999. The funds appropriated under this section shall be deemed to come from the funds available under section 216(a)(2) of the Compact of Free Association. The sum appropriated by this section shall be apportioned as follows:

(1) Teams of health specialists visiting the Federated States of Micronesia.....	\$ 70,000
(2) Enhancement of local capability to provide essential quality care in all FSM hospitals.....	48,000

Section 9. College of Micronesia-FSM.

(1) The sum of \$2,960,000, or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1999, to the College of Micronesia-FSM to defray costs associated with the instruction of students and the operations and maintenance of the College. Of the total funds appropriated under this section, \$800,000 shall be deemed to come from funds available under section 216(a)(3) of the Compact of Free Association.

(2) The sum of \$300,000, or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1999, to the College of Micronesia-FSM to defray the tuition and housing obligations of students who have earned a passing grade point average and have paid the portion of such obligations required by the College to qualify for the assistance. This sum may not be used for air fares for the students.

Section 10. Post-secondary educational assistance. The sum of \$989,700, or so much thereof as may be necessary, is hereby appropriated

from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1999, for the purpose of providing post-secondary educational assistance. The funds appropriated under this section shall be deemed to come from funds available under section 216(a)(3) of the Compact of Free Association. The sum appropriated by this section shall be apportioned as follows:

(1) Kosrae State.....	\$	128,661
(2) Pohnpei State.....		288,003
(3) Chuuk State.....		411,716
(4) Yap State.....		161,320

Section 11. Other National Government programs, grants, subsidies, contributions, and refunds. The sum of \$4,505,184 or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1999, for special programs, grants, subsidies, contributions, and refunds of the National Government of the Federated States of Micronesia during fiscal year 1999. The sum appropriated by this section shall be apportioned as follows:

(1) Special programs:		
(a) FSM Aquaculture Center.....	\$	120,400
(b) Joint Committee on Compact Economic		
Negotiations (JCN)		
(i) Wages and salaries of JCN personnel, none of		
which may be used to pay claims for overtime compensation.....		191,600
(ii) Housing allowances.....		10,500
(iii) Travel.....		60,068

1	(iv) Contractual services	
2	a) Retainer fees.....	\$150,000
3	b) Representation.....	20,000
4	(v) Other current expenditures	
5	a) Communications.....	25,000
6	b) Consumable goods.....	10,000
7	(vi) Fixed assets	
8	a) Office furniture and equipment.....	2,000
9	b) Computers, scanners, modems,	
10	and other equipment needed to facilitate e-mail communications and	
11	electronic transmission of documents.....	8,000
12	(c) National Government Employees	
13	Early Retirement Fund.....	896,506
14	(2) Subsidies and contributions:	
15	(a) Forum Secretariat .....	35,000
16	(b) Pacific Island Development Program .....	15,000
17	(c) The Pacific Community (formerly SPC) .....	30,000
18	(d) South Pacific Regional Environmental Program (SPREP).	7,375
19	(e) United Nations Economic and Social Commission for	
20	Asia and the Pacific (ESCAP).....	5,000
21	(f) Forum Fisheries Agency (FFA).....	21,000
22	(g) United Nations Development Program (UNDP).....	3,000
23	(h) United Nations Fund for Population Activity	
24	(UNFPA).....	3,000
25	(i) United Nations Membership Fee for the FSM (UN).....	180,000



1	(j) East West Center .....	\$ 10,000
2	(k) Pacific Asian Travel Association .....	5,000
3	(l) Coordinating Committee for Offshore Minerals	
4	Prospecting (South Pacific) .....	8,000
5	(m) Micronesian Legal Services Corporation (MLSC) ..	150,000
6	(n) International Civil Aviation Organization(ICAO) .....	28,050
7	(o) State Joint Law Enforcement	
8	(i) Kosrae .....	70,000
9	(ii) Pohnpei .....	140,000
10	(iii) Chuuk .....	160,000
11	(iv) Yap .....	90,000
12	(p) Aid to Non-public Schools .....	400,000
13	(q) BYRD Scholarship Program .....	15,000
14	(r) Financial Assistance for Students Studying at	
15	CMI and PCC .....	50,000
16	(s) State judiciaries	
17	(i) Kosrae	
18	a) Unrestricted .....	50,000
19	b) Law school scholarships .....	15,000
20	(ii) Pohnpei	
21	a) Unrestricted .....	50,000
22	b) Law school scholarships .....	40,000
23	(iii) Chuuk	
24	a) Unrestricted .....	50,000
25	b) Law school scholarships .....	40,000

1	(iv) Yap	
2	a) Unrestricted.....	\$ 55,000
3	b) Law school scholarships.....	15,000
4	(t) Continental Airlines Scholarship.....	35,000
5	(u) Copra Subsidy.....	200,000
6	(v) World Health Organization (WHO).....	41,385
7	(w) COM Treaty Obligation.....	25,000
8	(x) Micronesian Maritime Fisheries Academy (MMFA).	150,000
9	(y) Asia Pacific Telecommunity (APT) .....	9,000
10	(z) Plant Protection Program.....	60,000
11	(aa) National Board of Nursing .....	38,000
12	(bb) International Telecommunication Union (ITU).....	49,800
13	(cc) Pacific Islands Health Officer Associations (PIHOA)	50,000
14	(dd) Asian Pacific Coconut Community.....	15,500
15	(ee) National Close Up Local Program.....	61,000
16	(ff) FSM Amateur Sports Association.....	35,000
17	(gg) National Elections.....	100,000
18	(hh) Rural Development (USDA)	
19	(i) Pohnpei.....	185,000
20	(ii) Chuuk, for technical and support staff cost	
21	only (no travel, no regular staff salary, no overtime, and no	
22	purchase of vehicle).....	98,000
23	(iii) Kosrae	
24	a) General subsidy.....	68,000
25	b) Direct link/USDA.....	15,000

1 (iv) Yap..... \$ 35,000

2 Section 12. Compact section 221(b) programs. The sum of \$390,200,  
3 or so much thereof as may be necessary, is hereby appropriated from the  
4 General Fund of the Federated States of Micronesia for the fiscal year ending  
5 September 30, 1999, for Compact section 221(b) programs and projects of  
6 the National Government of the Federated States of Micronesia during fiscal  
7 year 1999. The funds appropriated under this section shall be deemed to  
8 come from funds available under section 221(b) of the Compact of Free  
9 Association. The sum appropriated by this section shall be apportioned as  
10 follows:

- 11 (1) Health Services programs:
- 12 (a) Travel.....\$ 81,000
- 13 (b) Contractual services..... 30,000
- 14 (c) Other current expenditures ..... 77,000
- 15 (d) Fixed assets ..... 7,600
- 16 (2) Education programs:
- 17 (a) Travel..... 84,600
- 18 (b) Contractual services..... 35,000
- 19 (c) Other current expenditures ..... 75,000

20 Section 13. Development budget - Appropriation. The sum of  
21 \$3,737,000, or so much thereof as may be necessary, is hereby  
22 appropriated from the General Fund of the Federated States of Micronesia  
23 for the fiscal year ending September 30, 1999, for capital improvement and  
24 development programs and projects of the National Government of the  
25 Federated States of Micronesia during fiscal year 1999. Of the funds

appropriated under this section, \$1,487,000 (for lines (1), (2), (3) and (5)) shall be deemed to come from the capital account of the Compact of Free Association. The sum appropriated by this section shall be apportioned as follows:

(1) National staff upgrading program (Division of Personnel Administration, for training programs of one year or less)	
(a) General staff .....	\$ 80,000
(b) Public auditor's office .....	20,000
(2) National Visitors Council (Department of Economic Affairs)	200,000
(3) Regional livestock project (Department of Economic Affairs)	187,000
(4) FSM 2000 population and housing census (Department of Economic Affairs) .....	100,000
(5) Business Development Loan Fund (FSMDB) .....	1,000,000
(6) FSM Trust Fund .....	2,000,000
(7) Coconut processing project, Chuuk, for the purchase of plant machinery and materials for soap production only; no salaries, travel, or vehicle purchase or rental .....	150,000

Section 14. Employment ceilings. Subsection (1) sets forth the maximum number of positions that may be hired by branches and agencies of the National Government.

(1) Positions funded for fiscal year 1999.

Executive Branch	
Office of the President .....	15
Foreign Affairs .....	37
Finance and Administration .....	92

1	Economic Affairs.....	46
2	Transportation, Communication and Infrastructure	29
3	Health, Education and Social Affairs.....	49
4	Justice.....	132
5	Public Defender.....	25
6	Legislative Branch	
7	Congress.....	57
8	Judicial Branch	
9	National Judiciary .....	27
10	Public Auditor .....	18
11	Agencies	
12	Micronesian Maritime Authority .....	10
13	Board of Regents of the College of Micronesia .	0
14	Federated States of Micronesia Coconut	
15	Development Authority.....	4
16	National Postal Service.....	26
17	FSM Banking Board.....	3

18           (2) The number of positions authorized applies individually to  
19 each of the departments and offices of the Executive and Legislative Branches,  
20 the National Judiciary, the Public Auditor, and to the agencies as provided in  
21 subsection (1) of this section, except that the President may transfer up to  
22 12 positions between the departments and offices of the Executive Branch.  
23 This authorization of positions covers all permanent employees and all  
24 contract personnel whose employment extends for more than 90 days. No  
25 funds may be expended for unbudgeted positions.

Section 15. Reprogramming.

(1) The President may reprogram up to 10 percent to and from the funds appropriated to each department and office in section 1. The President or his designee may reprogram up to 15 percent to and from the funds appropriated to any division, and may reprogram up to 15 percent to and from each line within the budget of a division, within a department or office or its functional equivalent.

(2) The Speaker or his designee may reprogram up to 10 percent to and from the funds appropriated to each of the subsections in section 2, and may reprogram up to 15 percent to and from the funds appropriated in each of the lines within the subsections of section 2.

(3) The Chief Justice or his designee may reprogram up to 15 percent to and from the funds appropriated in each of the lines in section 3.

(4) The Public Auditor may reprogram up to 15 percent to and from the funds appropriated in each of the lines in section 4.

(5) Allottees of funds may reprogram up to 15 percent to and from the funds appropriated in each of the lines within the subsections of section 5.

(6) Notwithstanding the provisions of subsections (1) through (5) of this section, no funds may be reprogrammed to or from any personnel account (except as necessary in conjunction with a position transfer permitted under section 14(2) of this act), and no funds may be reprogrammed from section 1(3)(e)(iii) and 1(3)(e)(v) of this act.

Section 16. Allotment and management of funds and lapse date.

(1) All funds appropriated by this act shall be allotted,

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1 managed, administered, and accounted for in accordance with applicable law,  
2 including, but not limited to, the Financial Management Act of 1979; PROVIDED,  
3 however, that the funds appropriated to Chuuk State under subsection (3) of  
4 section 10 of this act shall be retained in the General Fund of the Federated  
5 States of Micronesia until a scholarship recipient is identified to the President  
6 or the President's designee, at which time scholarship funds in the amount of  
7 the scholarship award shall be disbursed directly to the educational institution  
8 in the form of a two-party check payable to both the scholarship recipient and  
9 the educational institution he or she is attending; and PROVIDED FURTHER, that  
10 the allottee of the funds appropriated under section 6(1), (2), and (3) of this  
11 act shall be, respectively, the President of the Federated States of Micronesia,  
12 the Speaker of the Congress of the Federated States of Micronesia, and the  
13 Chief Justice of the Supreme Court of the Federated States of Micronesia; and  
14 PROVIDED FURTHER, that the allottee of the funds appropriated under section  
15 7 of this act shall be the Secretary of the Department of Transportation,  
16 Communication and Infrastructure; and PROVIDED FURTHER, that the allottees  
17 for the funds appropriated under subsection (2)(o) of section 11 of this act  
18 shall be the Governors of the respective States, and no funds appropriated  
19 under subsection (2)(o) of section 11 of this act shall be disbursed from the  
20 General Fund to the allottees unless the President certifies that the State  
21 involved has entered into a joint law enforcement agreement for the period of  
22 October 1, 1998, to September 30, 1999, with the National Government  
23 pursuant to chapter 12 of title 12 of the Code of the Federated States of  
24 Micronesia; and PROVIDED FURTHER, that the allottees of the funds  
25 appropriated under subsection 2(hh) of section 11 of this act shall be the

1 Rural Development Community Development Managers of the respective  
2 States. Funds appropriated under subsection 2(hh) of section 11 of this act  
3 shall not be disbursed to a State's Rural Development Community Manager if  
4 he fails to submit to the Speaker of Congress and to the President detailed,  
5 quarterly financial statements regarding his office's operations, or if he fails to  
6 comply with the Financial Management Act of 1979; and PROVIDED FURTHER,  
7 that the allottees for the funds appropriated under subsection (2)(s) of  
8 section 11 of this act shall be the Chief Justices of the respective States; and  
9 PROVIDED FURTHER, that the allottee of the funds appropriated under  
10 subsection (1) of section 13 shall be the Personnel Officer of the Division of  
11 Personnel Administration. Each allottee shall be responsible for ensuring that  
12 these funds, or so much thereof as may be necessary, are used solely for the  
13 purpose specified in this act, and that no obligations are incurred in excess of  
14 the sum appropriated.

15 (2) Allotments shall not exceed the following percentages of the  
16 funds appropriated under sections 5(3), 5(6), 7, 9(1), and 13(5) of this act:

17 (a) thirty percent of the appropriation before January 1,  
18 1999;

19 (b) fifty percent of the appropriation before April 1,  
20 1999;

21 (c) eighty percent of the appropriation before July 1,  
22 1999.

23 (3) The authority of the allottees to obligate funds appropriated  
24 by this act shall lapse as of September 30, 1999; PROVIDED, however, that  
25 the authority of the allottees to obligate funds appropriated by sections 3(3),



7, 9, 10, and 13 shall not lapse; and PROVIDED FURTHER, that the authority of the allottee to obligate funds appropriated by section 13(4) shall lapse as of September 30, 2000.

Section 17. 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.

\_\_\_\_\_, 1998

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Jacob Nena  
President  
Federated States of Micronesia