



*The President*  
*Palikir, Pohnpei*  
*Federated States of Micronesia*

PRESIDENTIAL COMM. NO. 18-19  
FSM CONGRESS

September 30, 2013

The Honorable Dohsis Halbert  
Speaker  
Eighteenth Congress of the Federated States of Micronesia  
Palikir, Pohnpei, FM 96941



Dear Speaker Halbert:

I am pleased to inform Congress that the following Act became **Public Law No. 18-13** pursuant to Article IX Section 22 of the FSM Constitution:

Congressional Act No. 18-13, "AN ACT TO FURTHER AMEND PUBLIC LAW NO. 17-68, AS AMENDED BY PUBLIC LAWS NOS. 17-71, 17-81, 17-84, 17-89, 17-90, 18-03 AND 18-10, BY AMENDING SECTIONS 3, 5 AND 6 THEREOF, FOR THE PURPOSE OF CHANGING THE USE AND ALLOTTEE OF CERTAIN FUNDS PREVIOUSLY APPROPRIATED TO FUND PUBLIC PROJECTS AND SOCIAL PROGRAMS IN THE STATES OF KOSRAE AND CHUUK, AND FOR OTHER PURPOSES."

I reiterate the concerns raised about the lack of public hearing and consultation and the absence of committee report to explain the amendments of public projects and social programs. While the overall amount of appropriation remains the same, this amendment introduces new line items by shifting funds from prior appropriation. There is no rationale shown for the amendment, and there is no report to explain the deliberation on the amendment.

Moreover, as to the change of designation of allottee for Kosrae projects, it is an important amendment that requires thorough review. Part X of the Financial Management Regulation outlines the duties and responsibilities of allottee that cover the project control documents, management of projects, and reporting on the use of funds. The allottee needs the appropriate capacity and an accounting system in order to be able to fulfill the duties required in the regulation. Due to the lack of public hearing, it is unclear what criteria were used in selecting a municipality to replace the Kosrae Governor as allottee of funds.

I urge Congress to revisit its process in approving and amending appropriation in order to improve the transparency of public projects and social programs and to enhance their relevance to the real needs of their recipients.

Sincerely,

  
Manny Mori  
President

Enclosure:

xc: Chief Justice, FSM Supreme Court  
Secretary, Department of Justice  
Director, Office of SBOC  
**Legislative Counsel, CFMS**  
Library, CFMS  
PIO, FSM



CONGRESS OF THE FEDERATED STATES OF MICRONESIA

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Office of the Chief Clerk

PRESIDENTIAL COMM. NO. 18-119  
FSM CONGRESS

September 18, 2013

His Excellency Manny Mori  
President  
Federated States of Micronesia  
Palikir, Pohnpei FM 96941



Dear President Mori:

I have the honor to transmit herewith Congressional Act No. 18-13, "AN ACT TO FURTHER AMEND PUBLIC LAW NO. 17-68, AS AMENDED BY PUBLIC LAWS NOS. 17-71, 17-81, 17-84, 17-89, 17-90, 18-03 AND 18-10, BY AMENDING SECTIONS 3, 5 AND 6 THEREOF, FOR THE PURPOSE OF CHANGING THE USE AND ALLOTTEE OF CERTAIN FUNDS PREVIOUSLY APPROPRIATED TO FUND PUBLIC PROJECTS AND SOCIAL PROGRAMS IN THE STATES OF KOSRAE AND CHUUK; AND FOR OTHER PURPOSES.", which was passed by the Eighteenth Congress of the Federated States of Micronesia, Second Regular Session, 2013, by a two-thirds vote of all the State delegations as required and as duly certified.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Liwiana Ramon Ioanis".

Liwiana Ramon Ioanis  
Chief Clerk, Congress of the  
Federated States of Micronesia

Enclosures





PRESIDENTIAL COMM. NO. 18-119  
FSM CONGRESS

EIGHTEENTH CONGRESS OF THE  
FEDERATED STATES OF MICRONESIA  
SECOND REGULAR SESSION  
SEPTEMBER 11 – OCTOBER 01, 2013

PUBLIC LAW No. 18- 13

## An Act

TO FURTHER AMEND PUBLIC LAW NO. 17-68, AS AMENDED BY PUBLIC LAWS NOS. 17-71, 17-81, 17-84, 17-89, 17-90, 18-03 AND 18-10, BY AMENDING SECTIONS 3, 5 AND 6 THEREOF, FOR THE PURPOSE OF CHANGING THE USE AND ALLOTTEE OF CERTAIN FUNDS PREVIOUSLY APPROPRIATED TO FUND PUBLIC PROJECTS AND SOCIAL PROGRAMS IN THE STATES OF KOSRAE AND CHUUK; AND FOR OTHER PURPOSES.

INTRODUCED BY SENATOR: TONY H. OTTO

DATE: SEPTEMBER 12, 2013

REFERRED TO: COMMITTEE ON WAYS AND MEANS

WITHDRAWN – SEPTEMBER 13, 2013

FIRST READING: SEPTEMBER 13, 2013

SECOND READING: SEPTEMBER 17, 2013

A handwritten signature in black ink, appearing to read "Liwiana Ramon Ioanis".

Liwiana Ramon Ioanis  
Chief Clerk, FSM Congress





CONGRESS OF THE FEDERATED STATES OF MICRONESIA

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*Office of the Speaker*

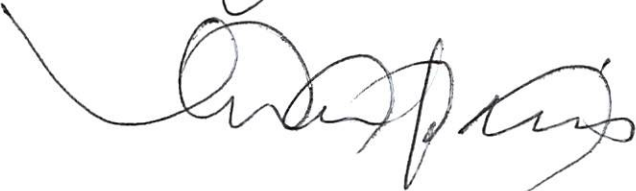
PRESIDENTIAL COMM. NO. 18-119  
FSM CONGRESS

ACT NO. 18-13

(CONGRESSIONAL BILL NO. 18-60, C.D.1, C.D.2)

We hereby certify that on September 17 the foregoing act passed Second and Final Reading of the Eighteenth Congress of the Federated States of Micronesia, Second Regular Session, 2013, by a two-thirds vote of all the State delegations as required under article IX, section 20, of the Constitution of the Federated States of Micronesia.

  
Donsis Halbert  
Speaker  
Congress of the  
Federated States of Micronesia

  
Liwiana Ramon Ioanis  
Chief Clerk  
Congress of the  
Federated States of Micronesia

EIGHTEENTH CONGRESS OF THE FEDERATED STATES OF MICRONESIA

SECOND REGULAR SESSION, 2013 CONGRESSIONAL BILL NO. 18-60, C.D.1, C.D.2

PUBLIC LAW No. 18-13

AN ACT

To further amend Public Law No. 17-68, as amended by Public Laws Nos. 17-71, 17-81, 17-84, 17-89, 17-90, 18-03 and 18-10, by amending sections 3, 5 and 6 thereof, for the purpose of changing the use and allottee of certain funds previously appropriated to fund public projects and social programs in the States of Kosrae and Chuuk; and for other purposes.

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

1       Section 1. Section 3 of Public Law No. 17-68, as amended  
2 by Public Laws Nos. 17-71, 17-84 and 18-03, is hereby further  
3 amended to read as follows:

4           "Section 3. Of the sum of \$5,697,383 appropriated  
5 by this act, \$15,197 is apportioned to pay the  
6 amount owed by the State of Kosrae to FEMA and  
7 \$600,000 is apportioned for public projects and  
8 social programs in the State of Kosrae.

9           (1) Amount owed by the State of Kosrae to FEMA \$15,197

10          (2) State of Kosrae..... 600,000

11               (a) Kosrae State Government subsidy  
12               (IMF matching, road & drainage maintenance,  
13               equipment) ..... 100,000

14               (b) DREA economic projects and programs 40,000

15               (c) Kosrae Utility Authority  
16               for Power Extension ..... -0-

17               (d) Department of Health Services

PUBLIC LAW No. 18-13

1	for pharmaceutical supplies .....	\$ 25,000
2	(e) Kosrae State subsidy.....	55,000
3	(f) Department of Education (Classrooms'	
4	maintenance/matching for IMF funding) .....	-0-
5	(g) Department of Education	
6	(Youth program/activities) .....	5,000
7	(h) Kosrae Island Resource	
8	Management Authority subsidy .....	10,000
9	(i) Kosrae Conservation Society	
10	Organization subsidy .....	10,000
11	(j) Panyacah bridge improvement	
12	and repair (IMF matching) .....	15,000
13	(k) Lelu municipal government subsidy	10,000
14	(l) Kosrae Island Veterans Association	20,000
15	(m) KHS lunch program.....	40,000
16	(n) B.A. program.....	20,000
17	(o) "We Care" referral program.....	20,000
18	(p) Multipurpose building in	
19	Lelu municipality .....	20,000
20	(q) Road improvement (Yeni to Wan Utwe)	10,000
21	(r) Sungankuta, Malem inner road	
22	improvement .....	5,000
23	(s) Kosrae Women Christian Association	5,000
24	(t) Kosrae Visitor's Bureau	
25	(travel and promotion) .....	10,000

**PUBLIC LAW No. 18-13**

1	(u) Kosrae participants to the	
2	2014 Women conference in Pohnpei .....	\$ 20,000
3	(v) Kosrae Utility Authority subsidy	40,000
4	(w) Kosrae Youth Associations (Fusr)	5,000
5	(x) Kosrae Special Parent Network (KSPN)	5,000
6	(y) Kosrae State Government's	
7	contribution to Pacific Island Development Bank	30,000
8	(z) Yela Environment Landowners	
9	Authority (YELA) .....	10,000
10	(aa) Tourist travel trail	
11	in Malem municipality .....	5,000
12	(ab) Lelu farm road	
13	improvement at Sruusr, Lelu .....	10,000
14	(ac) Inkoenum, Utwe access	
15	and inner road project .....	-0-
16	(ad) Kings farm road	
17	project in Pilyaul, Malem .....	15,000
18	(ae) Tafunsak Municipal	
19	Government land acquisition .....	10,000
20	(af) Tafeot Dam repair	
21	and water system improvement .....	10,000
22	(ag) Malem Municipal	
23	Government subsidy .....	10,000
24	(ah) Utwe Municipal	
25	Government subsidy .....	10,000"

**PUBLIC LAW No. 18-13**

1       Section 2. Section 5 of Public Law No. 17-68, as amended by  
 2 Public Laws Nos. 17-71, 17-81, 17-84, 17-89, 17-90 and 18-03, is  
 3 hereby further amended to read as follows:

4       "Section 5. Of the sum of \$5,697,383 appropriated by  
 5 this act, \$978,860 is apportioned to pay the amount owed  
 6 by the State of Chuuk to FEMA and \$1,800,000 is  
 7 apportioned for public projects and social programs.

8       (1) Amount owed by the State of Chuuk  
 9 to FEMA ..... \$       978,860

10       (2) State of Chuuk..... 1,800,000

11       (a) At-Large..... 300,000

12       (i) Community facilities/  
 13 Infrastructure & Housing subsidy ..... 30,000

14       (ii) Chuuk Museum contribution.. 5,000

15       (iii) Roads/Seawalls/Bridges repair  
 16 and improvement ..... 25,000

17       (iv) Main water source lease  
 18 obligation (Nefo) ..... 7,000

19       (v) Contributions to State,  
 20 Municipal and Community events/ activities/  
 21 programs ..... 42,000

22       (vi) POL/Charters/Freight  
 23 subsidy/reimbursements ..... 25,600

24       (vii) Youth Groups  
 25 equipment/supplies/activities ..... 15,000



**PUBLIC LAW No. 18-13**

1	(viii) Leaders/Patients/Students/	
2	repatriation of remains travel needs .....	\$ 23,000
3	(ix) Administrative support	
4	costs for allottee/At Large .....	7,000
5	(x) Fishing project	
6	(equipment/gears/marketing) .....	27,000
7	(xi) Lien Pukial prior obligations	5,000
8	(xii) Women Groups' sewing	
9	equipment/supplies .....	3,000
10	(xiii) Farmers' seedlings & labor	
11	cost obligations .....	1,400
12	(xiv) Community/Students/farmers	
13	land transportation .....	18,000
14	(xv) Students financial	
15	assistance/schools subsidy .....	17,500
16	(xvi) Municipal government	
17	subsidy (Elections/activities) .....	48,500
18	(xvii) Power distribution	
19	extension matching fund .....	-0-
20	(b) Election District No. 1 .....	300,000
21	(i) Professional services fee .	15,000
22	(ii) Renewable Energy project/	
23	Communication system .....	65,000
24	(iii) Mortlock Islands' Sea	
25	vessel purchase .....	100,000

**PUBLIC LAW No. 18-13**

1	(iv) Multipurpose public	
2	facilities, community facilities, housing	
3	improvement and repair .....	\$ 40,000
4	(v) Education, health and	
5	sanitation programs & projects/and/or training	10,000
6	(vi) Youth, Sports &	
7	Recreational programs/activities .....	-0-
8	(vii) Municipal government	
9	special occasions activities .....	10,000
10	(viii) Students financial assistance	20,000
11	(ix) Repatriation of remain/	
12	Associations contributions .....	15,000
13	(x) Mortlock Island Development	
14	Authority (MIDA) operation .....	25,000
15	(xi) Copra and Fish purchase	
16	Revolving Fund .....	-0-
17	(c) Election District No. 2 .....	300,000
18	(i) Fishing Projects .....	20,000
19	(ii) Nutrition and Food	
20	Security Enhancement Projects .....	15,000
21	(iii) Housing renovation supplement	25,000
22	(iv) Community Halls	
23	rehabilitation .....	25,000
24	(v) Weno Municipality Transportation	
25	needs & Office Rehabilitation .....	30,000

**PUBLIC LAW No. 18-13**

1	(vi) Fono Municipality subsidy.\$	10,000
2	(vii) Piis-Paneu Municipality	
3	subsidy .....	10,000
4	(viii) Regional Leadership	
5	outreach visits .....	25,000
6	(ix) College students'	
7	financial assistance .....	15,000
8	(x) Youth Community activities.	15,000
9	(xi) Northern Namoneas Social and	
10	Economic Development Authority Administration	50,000
11	(xii) Roads upgrade & rehabilitation	10,000
12	(xiii) Power Distribution	
13	Extension matching fund .....	-0-
14	(xiv) Weno Constitution Day and	
15	Inauguration Day festivities .....	10,000
16	(xv) Acquisition of heavy	
17	equipment for road repair .....	-0-
18	(xvi) Weno Municipal Police	
19	Communication System and Supplies .....	9,000
20	(xvii) Weno Municipal Office upkeep	5,000
21	(xviii) Nepukos Souak Association	
22	Community Activities .....	5,000
23	(xix) Mechitiw Souak Community	
24	Activities .....	5,000
25	(xx) Acquisition of Equipment	



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**PUBLIC LAW No. 18-13**

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1	and Supplies for Activities of:	
2	(a) Fonoton Youth	
3	Association (FCYA) .....	\$ 2,000
4	(b) Piis-Paneu Youth	
5	Association .....	2,000
6	(c) Peniesene Youth	
7	Association (Kutta Kinamwe) .....	2,000
8	(d) Tunnuk Youth	
9	Association (TCYA) .....	2,000
10	(e) Iras Youth Association	2,000
11	(f) Neauo Youth Association	2,000
12	(g) Wichap Youth Association	2,000
13	(h) Nemwan Youth Association	2,000
14	(d) Election District No. 3 .....	300,000
15	(i) Fishing projects .....	70,000
16	(ii) Housing project .....	30,000
17	(iii) Community Halls rehabilitation	30,000
18	(iv) Southern Namoneas Development	
19	Authority Administration .....	25,000
20	(v) Contribution/Repatriation of	
21	remain/Associations support (Guam/Saipan/	
22	Hawaii/United States/Southern Namoneas) ....	10,000
23	(vi) Reimbursement for POL/Charters	5,000
24	(vii) Contribution to Social	
25	Security premium .....	5,000

**PUBLIC LAW No. 18-13**

1	(viii) Reimbursement payment for	
2	Lease/Rental obligation .....	\$ 10,000
3	(ix) Business start	
4	up/Entrepreneurship subsidies .....	10,000
5	(x) Youth/School sports & activities	10,000
6	(xi) Solar power lighting system	10,000
7	(xii) Students land transportation	
8	needs/vehicle purchase for local government	15,000
9	(xiii) Municipal/Community	
10	health and sanitation water improvement projects	7,500
11	(xiv) Humanitarian/Food Aid relief	
12	program for Community/ municipalities .....	10,000
13	(xv) Medical/medication contribution	
14	to non-insured and unemployed Senior Citizens	7,500
15	(xvi) Feeding program for	
16	Handicap/Disable elderlies .....	5,000
17	(xvii) Travel needs for students/	
18	referral patients/leaders .....	20,000
19	(xviii) Contributions to Southern	
20	Namoneas off-island chartered associations .	10,000
21	(xiv) Municipal governments	
22	subsidies .....	10,000
23	(e) Election District No. 4 .....	300,000
24	(i) Fishing projects .....	40,000
25	(ii) Low income housing subsidy.	30,000

**PUBLIC LAW No. 18-13**

1	(iii) Farming project subsidy...\$	30,000
2	(iv) Students financial assistance	15,000
3	(v) Faichuk Development Authority	
4	(Contractual services/Administration) .....	20,000
5	(vi) Medical referral and	
6	repatriation of remains .....	10,000
7	(vii) Municipal governments' subsidies	70,000
8	(viii) Sewing project subsidy.....	10,000
9	(ix) Youth activities and programs	15,000
10	(x) Road improvement and	
11	beautification .....	10,000
12	(xi) States and Municipal	
13	leadership exposure and travel .....	15,000
14	(xii) fishing market subsidy ....	5,000
15	(xiii) Students and farmers	
16	land transportation .....	20,000
17	(xiv) Solar system project.....	5,000
18	(xv) Fiber boat repair project..	5,000
19	(f) Election District No. 5.....	300,000
20	(i) Fishing projects.....	70,000
21	(ii) Northwest Islands	
22	Development Authority Administration .....	38,000
23	(iii) Food relief assistance program	28,000
24	(iv) Officials/patients and	
25	other travel needs .....	42,000



PUBLIC LAW No. 18-13

1	(v) Payment for students'	
2	entrance test fees, and outstanding debt at	
3	COM-FSM, University of Hawaii at Hilo and	
4	Hawaii Pacific University .....	\$ 9,000
5	(vi) Vehicles purchase for	
6	municipal governments .....	12,000
7	(vii) Contributions to	
8	Northwest Islands Associations .....	23,000
9	(viii) Boat charter/medical	
10	referral travel reimbursements .....	10,000
11	(ix) Onoun Women Association	
12	contribution .....	8,000
13	(x) Pollap Dispensary solar	
14	power project supplemental .....	2,000
15	(xi) Shoreline mitigation project	2,000
16	(xii) Tupwunoil office rental....	6,000
17	(xiii) Boat charters/	
18	funeral related expenses .....	34,000
19	(xiv) Contributions to municipal	
20	events/activities .....	11,000
21	(xv) Community Hall.....	5,000
22	(xvi) Municipalities' Inaugurations	-0--
23	Section 3. Section 6 of Public Law No. 17-68, as amended by	
24	Public Laws Nos. 17-71 and 18-03, is here by further amended to	
25	read as follows:	

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**PUBLIC LAW No. 18-13**

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1           "Section 6. Allotment and management of funds and lapse  
2           date. All funds appropriated by this act shall be  
3           allotted, managed, administered and accounted for in  
4           accordance with applicable laws, including, but not  
5           limited to, the Financial Management Act of 1979. The  
6           allottee shall be responsible for ensuring that these  
7           funds, or so much thereof as may be necessary, are used  
8           solely for the purpose specified in this act, and that  
9           no obligations are incurred in excess of the sum  
10          appropriated. The allottee of the funds appropriated  
11          under section 2 of this act shall be the Governor of Yap  
12          State. The allottee of funds appropriated under  
13          sections 3 and 4 of this act shall be the President of  
14          the Federated States of Micronesia or his designee,  
15          EXCEPT THAT the allottee of funds appropriated under  
16          subsection 1 of section 3 of this act shall be the  
17          Governor of Kosrae; the allottee of funds appropriated  
18          under subsections 3(2)(j), (k), (l), (m), (n), (o), (p),  
19          (q), (r), (s), (t), (u), (v), (w), (x), (y), (z), (aa),  
20          (ab), (ac), (ad), (ae), (af), (ag) and (ah) of section 3  
21          of this act shall be the Mayor of Lelu Municipal  
22          Government or his designee and the allottee of funds  
23          appropriated under subsection 1 of section 4 of this act  
24          shall be the Governor of Pohnpei State. The allottee of  
25          funds appropriated under subsection 5(1) of this act

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**PUBLIC LAW No. 18-13**

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1           shall be the President of the Federated States of  
2           Micronesia or his designee. The allottee of funds  
3           appropriated under subsection 5(2)(a) and 5(2)(c) of  
4           this act shall be the Governor of Chuuk State or his  
5           designee. The allottee of funds appropriated under  
6           subsection 5(2)(b) of section 5 of this act shall be the  
7           Mortlock Islands Development Authority. The allottee of  
8           funds appropriated under subsection 5(2)(d) of section 5  
9           of this act shall be the Southern Namoneas Development  
10          Authority or its designee. The allottee of funds  
11          appropriated under subsection 5(2)(e) of section 5 of  
12          this act shall be the Faichuk Development Authority or  
13          its designee. The allottee of funds appropriated under  
14          subsection 5(2)(f) of section 5 of this act shall be the  
15          Northwest Island Development Authority. The authority  
16          of the allottee to obligate funds appropriated by this  
17          act shall lapse on September 30, 2014."

18          Section 4. Purpose of Amendments:

19    1.    The purpose of the amendments are merely shifting available  
20    funding within each line item under Kosrae State, and to change  
21    the allottee of certain funds for Kosrae State. And, also  
22    changing the use of funds under election District No. 5, Chuuk  
23    State. There is no increase or decrease of funding.



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**PUBLIC LAW No. 18-13**

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1       Section 5. This act shall become law upon approval by the  
2 President of the Federated States of Micronesia or upon it  
3 becoming law without such approval.

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\_\_\_\_\_, 2013

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Manny Mori  
President  
Federated States of Micronesia

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