



The President
Palikir, Pohnpei
Federated States of Micronesia

June 19, 2013

The Honorable Dohsis Halbert
Speaker
18th FSM Congress
Palikir, Pohnpei FM 96941



PRESIDENTIAL COMM. NO. 18-33
FSM CONGRESS

Dear Speaker Halbert:

I transmit the following Congressional Act, which became Public Law No. 18-03.

Congressional Act No. 18-02, "AN ACT TO FURTHER AMEND SECTIONS 2, 3, 5 AND 6 OF PUBLIC LAW NO. 17-68, AS AMENDED BY PUBLIC LAWS NOS. 17-71, 17-81, 17-84, 17-89 AND 17-90, 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 YAP, KOSRAE AND CHUUK, AND FOR OTHER PURPOSES."

Having signed this Act into public law, I take this opportunity to reiterate my views on congressional appropriation for public projects and social programs in general. Every year, at least \$1.4 million is earmarked in the annual budget for public projects and social programs. That in itself is a clear demonstration of my support for GOOD public projects and social programs. As former member of Congress myself, I understand the importance of those projects. But at the same time, we must address with solutions the following concerns:

(1)No public hearing. It is important to stress the need for a transparent, deliberative process in formulating public projects and social programs. I acknowledge that a committee report mentions some of the changes for Yap's portion of public projects. However, the fact that there is no explanation of the amendments for Kosrae and Chuuk projects contradicts a transparent process. Also, the executive branch as implementer of public project was not given the opportunity to express its views through public hearing.

(2)Effective planning. The lack of planning on public projects resulted in repeated changes in the appropriation. This is another amendment in addition to the previous five amendments passed in a span of six months from the date of the original Public Law.

(3)Weakness of PCD. We recognized the weakness of project control documents (PCDs) as some of them do not match implemented public projects and social programs. I instructed the Office of SBOC to reexamine the PCDs and to initiate the necessary reforms in order to ensure that public projects and social programs are consistent with the PCDs as envisioned in the appropriation.

The Honorable Dohsis Halbert
June 19, 2013
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PRESIDENTIAL COMM. NO. 18-33
FSM CONGRESS

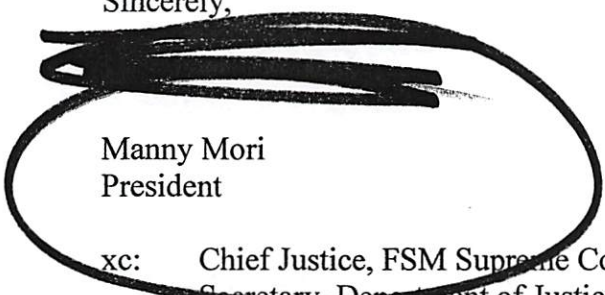
(4) Disbursement of funds. It is fundamental that public funds are expended to enhance the welfare of the citizens by improving the socio-economic conditions in the communities throughout the nation. Many of the so-called public projects and social programs have little linkage to the Strategic Development Plan (SDP). As such, they contribute little to the overall socio-economic development.

I urge Congress to seriously consider the foregoing concerns at the earliest opportunity because continuing inaction on our part will not yield meaningful benefit to our people.

I wish to note that there is no designated allottee of fund under subsection 5(2)(c). As such, the President is the default allottee.

With warm personal regards, I remain,

Sincerely,



Manny Mori
President

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



CONGRESS OF THE FEDERATED STATES OF MICRONESIA

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Pohnpei State, FM 96941
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Office of the Chief Clerk

May 28, 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. 18-02, "AN ACT TO FURTHER AMEND SECTIONS 2, 3, 5 AND 6 OF PUBLIC LAW NO. 17-68, AS AMENDED BY PUBLIC LAWS NOS. 17-71, 17-81, 17-84, 17-89 AND 17-90, 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 YAP, KOSRAE AND CHUUK, AND FOR OTHER PURPOSES.", which was passed by the Eighteenth Congress of the Federated States of Micronesia, First Regular Session, 2013, by a two-thirds vote of all the State delegations as required and as duly certified.

Sincerely yours,

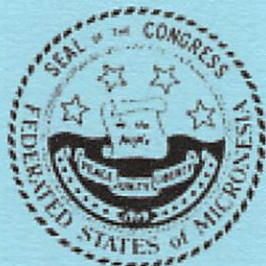
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Liwiana Ramon Ioanis
Chief Clerk, Congress of the
Federated States of Micronesia

Enclosures

PRESIDENTIAL COMM. NO. 18-33
FSM CONGRESS





PRESIDENTIAL COMM. NO. 18-33
FSM CONGRESS

EIGHTEENTH CONGRESS OF THE
FEDERATED STATES OF MICRONESIA
FIRST REGULAR SESSION
MAY 11 - 30, 2013

PUBLIC LAW No. 18- 03

An Act

TO FURTHER AMEND SECTIONS 2, 3, 5 AND 6 OF PUBLIC LAW NO. 17-68, AS AMENDED BY PUBLIC LAWS NOS. 17-71, 17-81, 17-84, 17-89 AND 17-90, 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 YAP, KOSRAE AND CHUUK, AND FOR OTHER PURPOSES.

INTRODUCED BY SENATOR: JOSEPH J. URUSEMAL

DATE: MAY 22, 2013

REFERRED TO: COMMITTEE ON WAYS AND MEANS

S.C.R. NO. 18-06 – MAY 24, 2013

FIRST READING: MAY 24, 2013

SECOND READING: MAY 27, 2013

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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. 18-33
FSM CONGRESS


ACT NO. 18-02

(CONGRESSIONAL BILL NO. 18-12, C.D.1,
C.D.2, C.D.3)

We hereby certify that on May 27 the foregoing act passed
Second and Final Reading of the Eighteenth Congress of the
Federated States of Micronesia, First 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

FIRST REGULAR SESSION, 2013

CONGRESSIONAL BILL NO. 18-12, C.D.1,
C.D.2, C.D.3

PUBLIC LAW No. 18-03

AN ACT

To further amend sections 2, 3, 5 and 6 of Public Law No. 17-68, as amended by Public Laws Nos. 17-71, 17-81, 17-84, 17-89 and 17-90, 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 Yap, Kosrae and Chuuk, and for other purposes.

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

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

4 "Section 2. Of the sum of \$5,697,383 appropriated by
5 this act, \$284,210 is apportioned to pay the amount owed
6 by the State of Yap to FEMA and \$600,000 is apportioned
7 for public projects and social programs in the State of
8 Yap.

9 (1) Amount owed by the State of Yap to FEMA PROVIDED
10 THAT this amount shall be deemed an advance. The
11 repayment of which shall be directed to the following
12 projects:

13 (a) Yap Southern water system
14 improvement 250,000, (b) Kanifay Municipal office
15 improvement 30,000 and (c) Kanifay Men's house repair
16 4,210\$ 284,210

17 (2) State of Yap..... 600,000

18 (a) Fanif municipality multipurpose

PUBLIC LAW No. 18-03

1	recreation field supplemental.....\$	50,000
2	(b) Toruf Rumu village road supplemental	40,000
3	(c) Falalop Ulithi youth center	
4	renovation.....	20,000
5	(d) Okau, Weloy road supplemental...	50,000
6	(e) Plaw road culvert.....	20,000
7	(f) Yapese medical students interns.	5,000
8	(g) Deployment of Fishing Aggregate	
9	Device in Outer Islands.....	3,150
10	(h) Water extension & sewer for	
11	Ifalik community in Makiy.....	50,000
12	(i) Neighboring Islands Central High	
13	School computers (shipping & installation).	20,000
14	(j) Satawal Island community boat	-
15	and motor and Fais Island community outboard	
16	motor for residents in the two respective islands.	23,850
17	(k) Yap Catholic High School	
18	construction supplemental.....	106,000
19	(l) Yap Chamber of Commerce.....	30,000
20	(m) Yap Southern Water Authority	
21	(purchase of equipment).....	20,000
22	(n) Contribution to Falalop Woleai	
23	Youth.....	2,000
24	(o) Ngolog road construction	
25	and equipments rental.....	10,000

PUBLIC LAW No. 18-03

1	(p) Outer Islands' social and educational	
2	workshop	\$ 42,000
3	(q) Rumung water channel restoration	30,000
4	(r) Milew Community House	
5	repair supplemental.....	13,000
6	(s) Woleai runway repair supplemental	20,000
7	(t) Amin, Maap community project....	30,000
8	(u) Yap Government employees Credit	
9	Union (YGECU) subsidy.....	10,000
10	(v) Weloy Municipality subsidy.....	5,000"
11	Section 2. Section 3 of Public Law No. 17-68, as amended	
12	by Public Laws Nos. 17-71 and 17-84, is hereby further amended	
13	to read as follows:	
14	"Section 3. Of the sum of \$5,697,383 appropriated	
15	by this act, \$15,197 is apportioned to pay the	
16	amount owed by the State of Kosrae to FEMA and	
17	\$600,000 is apportioned for public projects and	
18	social programs in the State of Kosrae.	
19	(1) Amount owed by the State of Kosrae to FEMA \$15,197	
20	(2) State of Kosrae.....	600,000
21	(a) Kosrae State Government subsidy	
22	(IMF matching, road & drainage maintenance,	
23	equipment)	100,000
24	(b) DREA economic projects and programs	40,000
25	(c) Kosrae Utility Authority	

PUBLIC LAW No. 18-03

1	for Power Extension	\$ -0-
2	(d) Department of Health Services	
3	for pharmaceutical supplies	25,000
4	(e) Kosrae State subsidy.....	55,000
5	(f) Department of Education (Classrooms'	
6	maintenance/matching for IMF funding)	-0-
7	(g) Department of Education	
8	(Youth program/activities)	5,000
9	(h) Kosrae Island Resource	
10	Management Authority subsidy	10,000
11	(i) Kosrae Conservation Society	
12	Organization subsidy	10,000
13	(j) Panyacah bridge improvement	
14	and repair (IMF matching)	15,000
15	(k) Lelu municipal government subsidy	10,000
16	(l) Kosrae Island Veterans Association	20,000
17	(m) KHS lunch program.....	40,000
18	(n) B.A. program.....	20,000
19	(o) "We Care" referral program.....	20,000
20	(p) Multipurpose building in	
21	Lelu municipality	20,000
22	(q) Road improvement (Yeni to Wan Utwe)	10,000
23	(r) Sungankuta, Malem inner road	
24	improvement	5,000
25	(s) Kosrae Women Christian Association	5,000

PUBLIC LAW No. 18-03

1	(t) Kosrae Visitor's Bureau	
2	(travel and promotion)	\$ 10,000
3	(u) Kosrae participants to the	
4	2013 Women conference in Pohnpei	5,000
5	(v) Kosrae Utility Authority subsidy	40,000
6	(w) Kosrae Youth Associations (Fusr)	5,000
7	(x) Kosrae Special Parent Network (KSPN)	5,000
8	(y) Kosrae State Government's	
9	contribution to Pacific Island Development Bank	30,000
10	(z) Yela Environment Landowners	
11	Authority (YELA)	10,000
12	(aa) Tourist travel trail	
13	in Malem municipality	5,000
14	(ab) Lelu farm road	
15	improvement at Sruusr, Lelu	10,000
16	(ac) Inkoenum, Utwe access	
17	and inner road project	15,000
18	(ad) Kings farm road	
19	project in Pilyaul, Malem	15,000
20	(ae) Tafunsak Municipal	
21	Government land acquisition	10,000
22	(af) Tafeot Dam repair	
23	and water system improvement	10,000
24	(ag) Malem Municipal	
25	Government subsidy	10,000

PUBLIC LAW No. 18-03

(ah) Utwe Municipal

Government subsidy\$ 10,000

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

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

(1) Amount owed by the State of Chuuk to FEMA

PROVIDED THAT Chuuk State shall repay this amount in
such a manner as will be agreed to between the allottee
and the Chuuk State leadership.....\$ 978,860

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

(a) At-Large..... 300,000

(i) Community facilities/

Infrastructure & Housing subsidy..... 30,000

(ii) Chuuk Museum contribution.. 5,000

(iii) Roads/Seawalls/Bridges repair

and improvement 25,000

(iv) Main water source lease

obligation (Nefo) 7,000

(v) Contributions to State,

Municipal and Community events/ activities/

programs 42,000

PUBLIC LAW No. 18-03

1	(vi) POL/Charters/Freight	
2	subsidy/reimbursements	\$ 25,600
3	(vii) Youth Groups	
4	equipment/supplies/activities	15,000
5	(viii) Leaders/Patients/Students/	
6	repatriation of remains travel needs	23,000
7	(ix) Administrative support	
8	costs for allottee/At Large	7,000
9	(x) Fishing project	
10	(equipment/gears/marketing)	27,000
11	(xi) Lien Pukial prior obligations	5,000
12	(xii) Women Groups' sewing	
13	equipment/supplies	3,000
14	(xiii) Farmers' seedlings & labor	
15	cost obligations	1,400
16	(xiv) Community/Students/farmers	
17	land transportation	18,000
18	(xv) Students financial	
19	assistance/schools subsidy	17,500
20	(xvi) Municipal government	
21	subsidy (Elections/activities)	48,500
22	(xvii) Power distribution	
23	extension matching fund	-0-
24	(b) Election District No. 1	300,000
25	(i) Professional services fee .	15,000

PUBLIC LAW No. 18-03

1	(ii) Renewable Energy project/	
2	Communication system	\$ 65,000
3	(iii) Mortlock Islands' Sea	
4	vessel purchase	100,000
5	(iv) Multipurpose public	
6	facilities, community facilities, housing	
7	improvement and repair	40,000
8	(v) Education, health and	
9	sanitation programs & projects/and/or training	10,000
10	(vi) Youth, Sports &	
11	Recreational programs/activities	-0-
12	(vii) Municipal government	
13	special occasions activities	10,000
-14	(viii) Students financial assistance -	20,000
15	(ix) Repatriation of remain/	
16	Associations contributions	15,000
17	(x) Mortlock Island Development	
18	Authority (MIDA) operation	25,000
19	(xi) Copra and Fish purchase	
20	Revolving Fund	-0-
21	(c) Election District No. 2	300,000
22	(i) Fishing Projects	20,000
23	(ii) Nutrition and Food	
24	Security Enhancement Projects	15,000
25	(iii) Housing renovation supplement	25,000

PUBLIC LAW No. 18-03

1	(iv) Community Halls	
2	rehabilitation	\$ 25,000
3	(v) Weno Municipality Transportation	
4	needs & Office Rehabilitation	30,000
5	(vi) Fono Municipality subsidy..	10,000
6	(vii) Piis-Paneu Municipality	
7	subsidy	10,000
8	(viii) Regional Leadership	
9	outreach visits	25,000
10	(ix) College students'	
11	financial assistance	15,000
12	(x) Youth Community activities.	15,000
13	(xi) Northern Namoneas Social and	
14	Economic Development Authority Administration	50,000
15	(xii) Roads upgrade & rehabilitation	10,000
16	(xiii) Power Distribution	
17	Extension matching fund	-0-
18	(xiv) Weno Constitution Day and	
19	Inauguration Day festivities	10,000
20	(xv) Acquisition of heavy	
21	equipment for road repair	-0-
22	(xvi) Weno Municipal Police	
23	Communication System and Supplies	9,000
24	(xvii) Weno Municipal Office upkeep	5,000
25	(xviii) Nepukos Souak Association	

PUBLIC LAW No. 18-03

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

PUBLIC LAW No. 18-03

1	Hawaii/United States/Southern Namoneas) ... \$	10,000
2	(vi) Reimbursement for POL/Charters	5,000
3	(vii) Contribution to Social	
4	Security premium	5,000
5	(viii) Reimbursement payment for	
6	Lease/Rental obligation	10,000
7	(ix) Business start	
8	up/Entrepreneurship subsidies	10,000
9	(x) Youth/School sports & activities	10,000
10	(xi) Solar power lighting system	10,000
11	(xii) Students land transportation	
12	needs/vehicle purchase for local government	15,000
13	(xiii) Municipal/Community	
14	health and sanitation water improvement projects	7,500
15	(xiv) Humanitarian/Food Aid relief	
16	program for Community/ municipalities	10,000
17	(xv) Medical/medication contribution	
18	to non-insured and unemployed Senior Citizens	7,500
19	(xvi) Feeding program for	
20	Handicap/Disable elderlies	5,000
21	(xvii) Travel needs for students/	
22	referral patients/leaders	20,000
23	(xviii) Contributions to Southern	
24	Namoneas off-island chartered associations .	10,000
25	(xiv) Municipal governments	

PUBLIC LAW No. 18-03

1	subsidies	\$ 10,000
2	(e) Election District No. 4.....	300,000
3	(i) Fishing projects.....	40,000
4	(ii) Low income housing subsidy.	30,000
5	(iii) Farming project subsidy....	30,000
6	(iv) Students financial assistance	15,000
7	(v) Faichuk Development Authority	
8	(Contractual services/Administration)	20,000
9	(vi) Medical referral and	
10	repatriation of remains	10,000
11	(vii) Municipal governments' subsidies	70,000
12	(viii) Sewing project subsidy.....	10,000
13	(ix) Youth activities and programs	15,000
14	(x) Road improvement and	
15	beautification	10,000
16	(xi) States and Municipal	
17	leadership exposure and travel	15,000
18	(xii) fishing market subsidy	5,000
19	(xiii) Students and farmers	
20	land transportation	20,000
21	(xiv) Solar system project.....	5,000
22	(xv) Fiber boat repair project..	5,000
23	(f) Election District No. 5.....	300,000
24	(i) Fishing projects.....	100,000
25	(ii) Northwest Islands	

PUBLIC LAW No. 18-03

1	Development Authority Administration..... \$	38,000
2	(iii) Food relief assistance program	28,000
3	(iv) Officials/patients and	
4	other travel needs.....	18,000
5	(v) Payment for students'	
6	entrance test fees, and outstanding debt at	
7	COM-FSM, University of Hawaii at Hilo and	
8	Hawaii Pacific University.....	9,000
9	(vi) Vehicles purchase for	
10	municipal governments.....	12,000
11	(vii) Contributions to	
12	Northwest Islands Associations.....	30,000
13	(viii) Boat charter/medical	
14	referral travel reimbursements.....	10,000
15	(ix) Onoun Women Association	
16	contribution.....	8,000
17	(x) Pollap Dispensary solar	
18	power project supplemental.....	2,000
19	(xi) Shoreline mitigation project	2,000
20	(xii) Tupwunoil office rental ...	6,000
21	(xiii) Boat charters/POL	20,000
22	(xiv) Contributions to municipal	
23	events/activities.....	5,000
24	(xv) Community Hall	5,000
25	(xvi) Municipalities' Inaugurations	7,000"

PUBLIC LAW No. 18-03

1 Section 4. Section 6 of Public Law No. 17-68, as amended by
2 Public Law No. 17-71, is here by further amended to read as
3 follows:

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

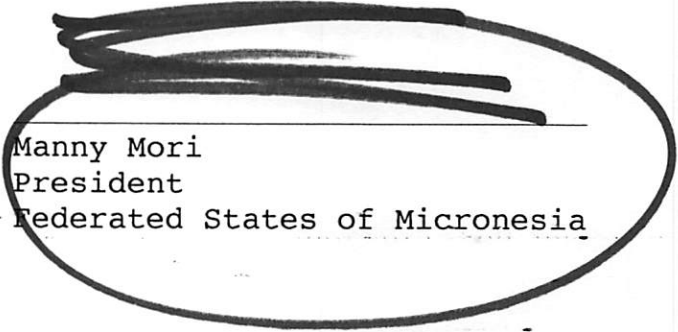
PUBLIC LAW No. 18-03

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

PUBLIC LAW No. 18-03

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

June 18, 2013


Manny Mori
President
Federated States of Micronesia