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FIRST REGULAR SESSION, 1989

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C.B. No. 6-37

A BILL FOR AN ACT

To further amend title 21 of the Code of the Federated States of Micronesia, as amended by Public Laws Nos. 5-7 and 5-104, by amending section 205; to further amend title 30 of the Code of the Federated States of Micronesia, as amended by Public Law No. 5-122, by amending section 110; to further amend title 52 of the Code of the Federated States of Micronesia, as amended by Public Law No. 5-21, by further amending section 117, as amended by Public Law No. 5-21; to amend section 203 of Public Law No. 2-74, codified as section 703 of title 53 of the Code of the Federated States of Micronesia; to amend section 18 of Public Law No. 3-14, codified as section 718 of title 24 of the Code of the Federated States of Micronesia; and to amend section 4 of Public Law No. 4-101, codified as section 204 of title 20 of the Code of the Federated States of Micronesia, all for the purpose of placing employees of independent agencies and public corporations created by National law within the National Public Service System; and for other purposes.

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

	BE IT ENACTED BY THE CONGRESS OF THE FEDERALED STATES OF MICRONESTA:
1	Section 1. Section 205 of title 21 of the Code of the Federated
2	States of Micronesia is hereby amended to read as follows:
3	"Section 205. Legal capacity of the Corporation. In performing
4	the functions authorized under this chapter or other law of
5	the Federated States of Micronesia, the Corporation shall have
6	the capacity to exercise all powers normally exercised by a
7	corporation, including, but not limited to, the following:
8	(1) to adopt, alter, and use a corporate seal;
9	(2) to adopt and amend bylaws governing the conduct of its
10	business and the exercise of its powers;
11	(3) to sue and be sued in its corporate name;
12	(4) to acquire, in any lawful manner, real, personal, or
13	mixed property, either tangible or intangible; to hold, main-
14	tain, use, and operate such property; and to sell, lease, or
15	otherwise dispose of such property;
16	(5) to acquire and take over in any lawful manner the
17	business, property, assets, and liabilities of any entity,
18	including the Government of the Trust Territory of the Pacific
19	Islands relating to communications;
20	(6) to borrow or raise any sum or sums of money and to
21	issue corporate bonds on such security and upon such terms as
22	may from time to time be deemed necessary for the expansion

and improvement of communications facilities;

(7) to retain and terminate the services of employees,

agents, attorneys, auditors, and independent contractors upon

1	such terms and conditions as it may deem appropriate but in
2	accordance with applicable law; and
3	(8) to do all such other things as may be deemed inciden-
4	tal to or conducive to the attainment of the responsibilities
5	of the Corporation."
6	Section 2. Section 110 of title 30 of the Code of the Federated
7	States of Micronesia is hereby amended to read as follows:
8	"Section 110. President, officers, and employees of the Bank.
9	(1) The Board shall select a President of the Bank. The
10	President of the Federated States of Micronesia and the High
11	Commissioner shall jointly select the first President of the
12	Bank, after consultation with the Board. The first President
13	of the Bank shall not be removed without the approval of the
14	President of the Federated States of Micronesia and the High
15	Commissioner.
16	(2) The President shall manage the operations of the Bank,
17	with the assistance of a Vice President and a secretary-
18	treasurer. The President shall select the Vice President and
19	secretary-treasurer of the Bank, subject to approval by the
20	Board.
21	(3) Officers and employees of the Bank shall be exempt from
22	the provisions of the Trust Tettitoty Metit System Law and
23	compensation pland and similat laws and plans of the covetament
24	of the redetated States of Mictohesia National Public Service
25	System Act and the Public Service Salary Act of 1979.

1	(4) The salary of the President shall be set by the Board.
2	The salary of the first President appointed jointly by the
3	President and of the Federated States of Micronesia and the High
4	Commissioner shall be set by them, in consultation with the
5	Board. The salary of the Vice President shall be set by the
6	President with the approval of the Board and shall not exceed a
7	sum equal to ninety percent of the salary of the President. The
8	salary of all the other officers and employees of the Bank shall
9	be established by the President, with the approval of the Board.
10	(5) No member of the Board shall be an officer or employee
11	of the Bank, except that the President of the Bank shall be an
12	ex officio member of the Board, without the power to vote."
13	Section 3. Section 117 of title 52 of the Code of the Federated
14	States of Micronesia, as amended by Public Law No. 5-21, is hereby further
15	amended to read as follows:
16	"Section 117. Application of chapter; Exemptions. The National
17	Public Service System shall apply to all employees of and
18	positions in the central Government of the Federated States of
19	Micronesia, and in independent agencies and public corporations
20	created by National law, now existing or hereafter established
21	and to all personnel services performed for that Government
22	except the following, unless this chapter or provisions thereof
23	are specifically made applicable to them:
24	(1) members of the Congress of the Federated States of
25	Micronesia;

1	(2) the President and Vice President of the Federated
2	States of Micronesia;
3	(3) Justices and other Judges of the National Courts;
4	(4) the legislative counsel, deputy legislative counsel,
5	budget officer, and the Clerk of the Congress;
6	(5) the Public Auditor;
7	(6) the administrative officer of the National Courts;
8	(7) the special assistants and secretaries to the President
9	and Vice President;
10	(8) persons appointed by the President to fill the
11	following positions: Secretary of External Affairs, Secretary
12	of Finance, Secretary of Resources and Development, Secretary
13	of Transportation, Secretary of Human Resources, Budget Officer,
14	National Planner, Director of Administrative Services, Attorney
15	General, and Public Defender, and their deputies, if any;
16	(9) persons appointed to any other positions by the
17	President with the advice and consent of the Congress;
18	(10) the Representative in Washington and all ambassadors;
19	(11) persons or organizations retained by contract when
20	the Personnel Officer has certified that the service to be per-
21	formed is special or unique and nonpermanent and is essential to
22	the public interest, and that, because of the degree of expertise
23	or special knowledge required and the nature of the services to
24	be performed, it would not be practical to obtain personnel to
25	perform such services through normal public service recruitment

1	procedures;
2	(12) persons presently under contract of employment not
3	included in subsection (11) of this section, during the life of
4	such contract. No contract of employment shall be entered into,
5	renewed, or amended after the effective date of this chapter,
6	except in accordance with the provisions of this chapter;
7	(13) temporary positions, required in the public interest,
8	for which the need does not exceed six months;
9	(14) positions requiring part-time or intermittent work
10	which does not exceed sixty hours in any calendar month;
11	(15) positions filled by inmates, patients, and students
12	of institutions of the Federated States of Micronesia;
13	(16) members of any board, public corporation board of
14	directors, commission, or similar body, in their capacity as
15	such;
16	(17) officers, faculty, and employees of the Board of
17	Regents and the College of Micronesia; and
18	(18) positions specifically exempted by any other law of
19	the Federated States of Micronesia."
20	Section 4. Section 703 of title 53 of the Code of the Federated
21	States of Micronesia is hereby amended to read as follows:
22	"Section 703. Promulgation of regulations; Hearings; Employees;
23	Annual report. The Board may adopt, amend, or rescind
24	regulations for the administration of this subtitle pursuant to
25	chapter 1 of title 17 of this Code. It may hold hearings or

make decisions upon hearings delegated to others for the purpose 1 of determining any question involving any right, benefit, or 2 obligation of any person subject to this subtitle. It may fix 3 the compensation of such employees it deems hecessaty within the lights of available administrative funds budgeted tot its operations and it It may contract for special actuarial and other counseling on a fee basis. It shall bond itself and its employees in such amounts as it shall fix. It shall 8 receive audited accounts of the Social Security System within 9 ninety days of the end of the fiscal year of the system and 10 transmit these accounts to the President and the Congress of the 11 Federated States of Micronesia. The annual accounts and report 12 shall be made available to the public. It shall submit to the 13 President and the Congress for each fiscal year a report on its 14 operations and the condition of its funds, and subject to section 15 707 of this chapter, in such report shall make recommendations for 16 amendments to this subtitle as it deems desirable." 17 Section 718 of title 24 of the Code of the Federated States 18 Section 5. of Micronesia is hereby amended to read as follows: 19 "Section 718. Employees of the Corporation. 20 (1) The Corporation may employ a full-time executive 21 director, who shall be appointed by a majority vote of the 22 entire membership of the Board. The compensation, terms, and 23 conditions of employment shall be determined by the Board. The 24 executive director shall be accountable and answerable to the

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1	Board for the daily operation of the Corporation.
2	(2) The executive director may hire, subject to the
3	approval of the Board and applicable law and budgetary
4	constraints, such supporting staff as he deems necessary and
5	proper to effect the purpose of this chapter. The employees of the
6	cotpotation shall be exempt trom the profisions of the federated
7	states of victodesia vational public settlee statem acti
8	(3) No member of the Board may at the same time serve as
9	an employee of the Corporation."
10	Section 6. Section 204 of title 20 of the Code of the Federated
11	States of Micronesia is hereby amended to read as follows:
12	"Section 204. Legal capacity of the Corporation. In performing
13	the functions authorized by this chapter or other law of the
14	Federated States of Micronesia, the Corporation shall have the
15	capacity to exercise all powers normally exercised by a
16	corporation, including, but not limited to, the following:
17	(1) to adopt, alter, and use a corporate seal;
18	(2) to adopt and amend bylaws governing the conduct of its
19	business and the exercise of its powers;
20	(3) to sue and be sued in its corporate name;
21	(4) to acquire, in any lawful manner, real, personal, or
22	mixed property, either tangible or intangible; to hold, maintain,
23	use, and operate such property; and to sell, lease, or otherwise
24	dispose of such property;
25	(5) to acquire and take over in any lawful manner the

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business, property, assets, and liabilities of any entity; 1 2 (6) to borrow or raise any sum or sums of money and to 3 issue corporate bonds on such security and upon such terms as may from time to time be deemed necessary for the expansion and 4 5 improvement of air transportation services; (7) to retain and terminate the services of employees, 6 agents, attorneys, auditors, and independent contractors upon such terms and conditions as it may deem appropriate but in 8 accordance with applicable law; and 9 (8) to do all such other things as may be deemed incidental 10 to or conducive to the attainment of the responsibilities of 11 12 the Corporation." Section 7. This act shall take effect 90 days after becoming law. 13 14 Section 8. This act shall become law upon approval by the President 15 of the Federated States of Micronesia or upon its becoming law without 16 such approval. 17 Date: 5/25/89 Introduced by: 18 Nishima W. Yleizah 19 20 21 22 23 24 25