A BILL FOR AN ACT

To further amend title 52 of the Code of the Federated States of Micronesia, by amending section 503, as enacted by Public Law No. 9-155, to include the foreign service premium in the definition of base salary for calculating compensation of persons participating in the early retirement program, and for other purposes.

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

Section 1. Section 503 of title 52 of the Code of the Federated States of Micronesia, as enacted by Public Law No. 9-155, is hereby amended to read as follows:

"Section 503. Definitions. As used in this chapter, unless the context clearly requires otherwise, the term:

(1) 'Agency' means any authority, office, commission, board, bureau or other entity of the Government of the Federated States of Micronesia outside of the executive, legislative or judicial branches of government, the employees of which authority, office, commission, board, bureau or other entity are subject to the National Public Service System Act and regulations promulgated thereunder.

(2) 'Base salary' means the average bi-weekly rate of pay to an employee over the most recent 26 pay periods based upon an 80 hour bi-weekly pay period. The most recent 26 pay periods shall be determined starting from the date such employee is approved for early retirement. Base salary includes the foreign service premium but does not include other differentials or allowances for night work, transfer, overtime, holiday work, travel per diem, or other similar allowances.

(3) 'Permanent employee' means an employee who is not employed through a contract that has a specific date of termination and has been appointed to a position in the
public service system who has successfully completed a
probation period.

(4) 'Program' means the early retirement program with
its eligibility requirements and benefits as defined in this
chapter.

(5) 'Public service' means all offices and other
positions in the National Government of the Federated States
of Micronesia not exempted by section 117 of chapter 1 of the
National Public Service System Act."

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

Date: 4/10/98

Introduced by: [Signature]

Nishima E. Yleizah