A BILL FOR AN ACT

To further amend title 52 of the Code of the Federated States of Micronesia, as amended, by adding a new chapter 5, for the purpose of establishing policies and restrictions concerning housing provided to FSM National Government officials and employees, including the imposition of a charge and establishment of a Government Housing Fund therefor, and for other purposes.

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

1. Section 1. Title 52 of the Code of the Federated States of Micronesia is hereby further amended by adding a new chapter 5, to be headed as follows:

"Chapter 5. Miscellaneous."

2. Section 2. Title 52 of the Code of the Federated States of Micronesia is hereby further amended by adding a new subchapter I of chapter 5 to be headed as follows:

"Subchapter I. Government Housing."

3. Section 3. Title 52 of the Code of the Federated States of Micronesia is hereby further amended by adding a new section 501 of subchapter I of chapter 5 to read as follows:

"Section 501. Housing Benefits.

(1) Housing benefits may be provided to FSM National Government ('Government') officials and upper-level employees according to regulations only where necessary to reduce the hardship associated with recruitment or transfer of such persons to duty stations beyond normal commuting distance from their places of residence at time of recruitment or transfer.

(2) In circumstances where an official or employee is eligible under the regulations for housing benefits, the official or employee may elect to receive housing or a housing allowance. If the
official or employee elects to receive housing, the Personnel Officer shall provide the employee with government-owned or leased housing and shall charge the official or employee an amount not more than fifteen dollars per month per bedroom for the housing, provided that officials eligible for housing under subsection (3) shall be exempt from the charge.

(3) Unless the official owns a home within normal commuting distance from his duty station, housing may be provided on Pohnpei to the President and Vice President of the Federated States of Micronesia and the Speaker of Congress of the Federated States of Micronesia, and in the State in which the justice sits to the Chief Justice and Associate Justices of the Supreme Court of the Federated States of Micronesia.

(4) In the event that the President, Speaker or Chief Justice is ineligible for a housing allowance because he owns in home within normal commuting distance of his duty station, the Government may, upon approval according to regulation, improve his home in order to make it suitable for the housing and official entertainment needs of an official of high standing.

(5) The Government may not rent from an
official or employee, or from a close relative of the
official or employee, to provide the official or
employee with housing. 'Close relative' means spouse,
parent, child, including adoptive and step parents and
children, brother, and sister.

(6) Funds received pursuant to this section
shall be deposited into the Government Housing Fund,
hereby created as a fund separate from the General
Fund. Funds so deposited shall be available to defray
expenses of the Government incurred in the maintenance
and repair of housing; provided, that at no time
shall the total amount of monies in the Government
Housing Fund exceed $50,000; and provided further,
that any revenues received which would cause the total
amount of monies in the Government Housing Fund to
exceed $50,000 shall be deposited in the General Fund
of the Federated States of Micronesia."

Section 4. 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: 2/7/98

Introduced by: Joseph O. Orusmal