

A BILL FOR AN ACT

To further amend title 52 of the Code of the Federated States of Micronesia, as amended, by amending section 145 and by further amending section 509, as enacted by Public Law No. 9-155 and amended by Public Laws Nos. 10-62, 10-118, 10-151, 11-41 and 11-52, to authorize payment of a portion of excess leave hours on retirement, to clarify the freeze on performance increases, and for other purposes.

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

1 Section 1. Section 145 of title 52 of the Code of the Federated
2 States of Micronesia is hereby amended to read as follows:

3 "Section 145. Leaves of absence.

4 (1) Leaves of absence with pay may be granted to employees
5 by management officials for reasons of vacation, illness,
6 maternity, training, or education, or for such other reasons
7 as will be in the best interests of the public service.
8 Eligibility for such leaves, the method and rate of earning
9 such eligibility, and the duration of the leave shall be
10 established by regulations. At the end of each calendar
11 year, if an employee's accrued annual and compensatory leave
12 balances together total in excess of 280 hours, the excess
13 amount shall be treated as follows:

14 (a) one-half shall be forfeited; and

15 (b) one-half shall be given a cash value determined as
16 of the last day of the calendar year, which shall be payable
17 to the employee only on his or her retirement from employment

1 with the National Government within five years thereafter.

2 (2) Leaves of absence without pay may be granted for such
3 reasons as management officials may deem proper and
4 consistent with the best interests of the public service.
5 Regulations may prescribe the characteristics of such
6 leaves."

7 Section 2. Section 509 of title 52 of the Code of the Federated
8 States of Micronesia, as enacted by Public Law No. 9-155 and amended
9 by Public Laws Nos. 10-62, 10-118, 10-151, 11-41 and 11-52, is hereby
10 further amended to read as follows:

11 "Section 509. Freeze on salary increases; compensatory time
12 and overtime compensation. Notwithstanding any other
13 applicable law, there is hereby enacted:

14 (1) a freeze on [~~annual salary step increases of all~~
15 ~~employees in the public service system~~] performance increases
16 under section 166 of this title; and

17 (2) compensatory time, with which employees in the public
18 service system shall be credited in lieu of receiving
19 overtime compensation as otherwise authorized under the
20 National Public Service System Act and regulations
21 promulgated thereunder. Compensatory time means those hours
22 authorized in advance and worked by an employee outside
23 established work hours and for which the employee is credited
24 with one hour in the form of leave with pay for each hour of
25 work an employee is directed to work and performs in excess

1 of the regular 40 hour workweek as provided by law.
2 Compensatory time shall be accrued by National Government
3 public service employees and shall be included in the
4 compensation received by a program participant pursuant to
5 subsection (4)(c) of section 506 of this chapter[~~;-except~~
6 ~~that any accumulation of time in excess of 280 hours shall be~~
7 ~~forfeited unless taken before the end of the calendar year in~~
8 ~~which the excess was accumulated. For purposes of computing~~
9 ~~whether a program employee's accrued compensatory and/or~~
10 ~~annual leave hours are in excess of 280 hours, accrued~~
11 ~~compensatory time and annual leave shall be included in~~
12 ~~computing the 280-hour ceiling].~~

13 (3) Notwithstanding the provisions of this section, an
14 employee shall be entitled to receive overtime differential,
15 retroactive to the effective date of Public Law No. 9-155, as
16 authorized under the National Public Service System Act, for:

17 (a) time worked in the event that the National
18 Government would be entitled to compensation for payment of
19 such differential under section 115 of title 50 and section
20 416 of title 22;

21 (b) time worked in the event that the National

1 Government would be entitled to compensation for payment of
2 such differential through a written agreement with a legal
3 entity that seeks to provide relief from emergency
4 conditions, as long as the time worked is directly related to
5 efforts to provide emergency relief, in accordance with an
6 emergency declared by the President under article X, section
7 9, of the Constitution of the Federated States of Micronesia;

8 (c) time worked in the event that the National
9 Government would be entitled to compensation for payment of
10 such differential through a written agreement with the Water
11 Users Corporation, as long as the time worked is directly
12 related to management and maintenance of the Capital Water
13 System; or

14 (d) time worked as follows:

15 (i) by personnel within the Division of Budget in
16 preparation of the annual budget submission at the discretion
17 of the Secretary of the Department of Finance and
18 Administration;

19 (ii) by accounting personnel within the Division
20 of Treasury in preparing the annual financial statements for
21 the FSM National Government, at the discretion of the
22 Secretary of the Department of Finance and Administration;

23 (iii) by accounting personnel within the

1 Division of Treasury in preparing reports pursuant to section
2 226 of title 55 of the Code of the Federated States of
3 Micronesia, or a successor provision, at the discretion of
4 the Secretary of the Department of Finance and
5 Administration. Notwithstanding section 164 of this title,
6 persons working hours entitling them to overtime differential
7 pursuant to paragraph (d) of subsection (3) of this section
8 shall receive compensation at straight time for those hours."

9 Section 3. This act shall not affect the status of any accrued
10 leave hours forfeited prior to its becoming law.

11 Section 4. This act shall become law upon approval by the
12 President of the Federated States of Micronesia or upon its becoming
13 law without such approval.

14

15

16 Date: _____ Introduced by: _____
Isaac V. Figir

17

18

19

20

21

22

23

24

25