A BILL FOR AN ACT

To amend Public Law No. 15-11, as amended by Public Law No. 15-18, by amending sections 1, 2, 4, 8, and 9 thereof, in order to appropriate additional $7,619,122 from the General Fund for fiscal year ending an September 30, 2008, and for other purposes.

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

Section 1. The title of Public Law No. 15-11, as amended by Public Law No. 15-18, is hereby further amended to read as follows:

"To appropriate the sum of [\$39,178,699] \$46,797,821 from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 2008, for the purpose of funding the operations of all branches of the National Government of the Federated States of Micronesia, its agencies, various programs, grants, subsidies and contributions and to establish a capital and human resource development budget, and for other purposes."

Section 2. Section 1 of Public Law No. 15-11, as amended by Public Law No. 15-18, is hereby further amended to read as follows:

"Section 1. The sum of [\$39,178,699] \$46,797,821 or so much thereof as may be necessary is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 2008, for the purpose of funding the operations of all
branches of the National Government of the Federated States of Micronesia, its agencies, various programs, grants, subsidies and contributions and to establish a capital and human resource development budget, and for other purposes. The sum of appropriated herein shall be apportioned as follows:"

Section 3. Section 2 of Public Law No. 15-11, as amended by Public Law No. 15-18, is hereby further amended to read as follows:

"Section 2. Operating expenses of the Executive Branch. The sum of [$16,807,529] $17,751,459 or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 2008, for the purpose of funding the operations of the Executive Branch of the National Government during the fiscal year 2008. The sum appropriated by this section shall be apportioned as follows:

(1) Office of the President. $560,621 or so much thereof as may be necessary PROVIDED THAT $10,000 from the OCE line item is used exclusively to pay the outstanding communications account with FSM Telecom for the operations of the Office of the President during the fiscal year 2008. The sum appropriated herein shall be apportioned as follows:
<table>
<thead>
<tr>
<th></th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Personnel</td>
<td>$232,766</td>
</tr>
<tr>
<td>2</td>
<td>Travel</td>
<td>101,148</td>
</tr>
<tr>
<td>3</td>
<td>Contractual Services</td>
<td>137,000</td>
</tr>
<tr>
<td>4</td>
<td>OCE</td>
<td>77,707</td>
</tr>
<tr>
<td>5</td>
<td>Fixed Assets</td>
<td>12,000</td>
</tr>
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</table>

(2) **Department of Foreign Affairs.**

$3,380,491 or so much thereof as may be necessary, PROVIDED THAT $40,000 from the OCE line item is used exclusively for the purpose of paying outstanding debts of the FSM Embassy in Washington D.C. for the operations of the Department of Foreign Affairs during the fiscal year 2008. The sum appropriated herein shall be apportioned as follows:

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Personnel</td>
<td>$1,298,905</td>
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<tr>
<td>2</td>
<td>Travel</td>
<td>160,887</td>
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<tr>
<td>3</td>
<td>Contractual Services</td>
<td>1,557,149</td>
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<tr>
<td>4</td>
<td>OCE</td>
<td>311,050</td>
</tr>
<tr>
<td>5</td>
<td>Fixed Assets</td>
<td>52,500</td>
</tr>
</tbody>
</table>

(3) **Department of Finance and Administration.**

$2,748,480 or so much thereof as may be necessary, PROVIDED THAT $20,000 from the travel line item is used exclusively for employee domestic travel for the purpose of improving tax collection rates, for the
operations of the Department of Finance and Administration during the fiscal year 2008.

Of the total amount of funds appropriated herein, $184,537 shall be deemed to come from funds available under the amended Compact for Capacity Building, PROVIDED THAT, these funds shall not be allocated or obligated until such time as formal approval has been obtained in accordance with the amended Compact of Free Association. The sum appropriated herein shall be apportioned as follows:

Personnel ..............................................$ 1,170,913
Travel .................................................. 191,722
Contractual Services .............................. 1,082,088
OCE ...................................................... 259,007
Fixed Assets .......................................... 44,750

(4) Department of Resources and Development.

$665,500 or so much thereof as may be necessary, for the operations of the Department of Resources and Development during the fiscal year 2008. The sum appropriated herein shall be apportioned as follows:

Personnel ..............................................$ 449,290
Travel .................................................. 66,252
Contractual Services .............................. 50,275
Department of Transportation, Communication and Infrastructure.

[$1,499,024] $1,599,024 or so much thereof as may be necessary, for the operations of the Department of Transportation, Communication and Infrastructure during the fiscal year 2008. The sum appropriated herein shall be apportioned as follows:

Personnel ........................................ $ 462,511
Travel ............................................. 93,465
Contractual Services ........................... 865,048
OCE ...........................................[74,000] 174,000
Fixed Assets .................................... 4,000

Department of Health and Social Affairs.

[$996,048] $1,243,544 or so much thereof as may be necessary, for the operations of the Department of Health and Social Affairs during the fiscal year 2008. Of the total funds appropriated herein, [$823,971] $1,071,467 shall be deemed to come from funds available under the amended Compact from the health sector, PROVIDED THAT, these funds shall not be allotted or obligated until such time as
formal approval has been obtained in accordance with the Amended Compact of Free Association. The sum appropriated herein shall be apportioned as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Personnel</td>
<td>$441,570</td>
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<tr>
<td>Travel</td>
<td>$165,245</td>
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<tr>
<td>Contractual Services</td>
<td>$501,385</td>
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<tr>
<td>OCE</td>
<td>133,344</td>
</tr>
<tr>
<td>Fixed Assets</td>
<td>2,000</td>
</tr>
</tbody>
</table>

(7) Department of Education.

[$1,908,363] $1,949,797 or so much thereof as may be necessary, for the operations of the Department of Education during the fiscal year 2008. Of the total funds appropriated herein, [$591,335] $623,769 shall be deemed to come from the funds available under the amended Compact from the education sector, and $1,288,688 supplemental education grant (SEG) for fiscal year 2007, PROVIDED THAT, these funds shall not be allotted or obligated until such time as formal approval has been obtained in accordance with the Amended Compact of Free Association. The sum appropriated herein shall be apportioned as follows:

Personnel............................$ 299,591
Travel .................................................................. 36,638
Contractual Services ..................[200,000] 241,434
OCE ............................................................ 1,372,134
Fixed Assets ............................................. -0-

(8) Department of Justice.
[$3,027,901], $3,502,901 or so much thereof as
may be necessary, for the operations of the
Department of Justice during the fiscal year
2008. Of the [$868,959] $1,168,959
appropriated for OCE herein, [$500,000]
$800,000 shall be obligated for fuel cost of
the FSM patrol boats, PROVIDED THAT such fund
shall be used exclusively for patrol or
surveillance operation. Of the $2,045,006
appropriated for Personnel line item, $135,000
shall be obligated for reclassification of
immigration and labor employees. The sum
appropriated herein shall be apportioned as
follows:
Personnel ..........................$[1,910,006] 2,045,006
Travel ..................................................[91,039] 124,039
Contractual Services ..................[157,897] 164,897
OCE$ .............................................[868,959] 1,168,959
Fixed Assets ............................................. -0-

(9) Office of the Public Defender.
[$708,932] $748,932 or so much thereof as may be necessary, for the operations of the Office of the Public Defender during the fiscal year 2008. The sum appropriated herein shall be apportioned as follows:

Personnel .................................. $499,599
Travel ....................................... [69,503] 109,503
Contractual Services ....................... 38,150
OCE ........................................ 84,680
Fixed Assets ............................... 17,000

(10) Office of Statistics, Budget, Overseas Development Assistance and Compact Management.

[$1,108,351] $1,143,351 or so much thereof as may be necessary, for the operations of the Office of Statistics, Budget, Overseas Development Assistance and Compact Management during the fiscal year 2008. Of the total funds appropriated herein, $46,798 shall be deemed to come from the funds available under the amended compact for capacity building, PROVIDED THAT, these funds shall not be allotted or obligated until such time as formal approval has been obtained in accordance with the Amended Compact of Free Association. The sum appropriated herein shall
be apportioned as follows:

1 Personnel ......................... $ 604,011
2 Travel .............................. 149,781
3 Contractual Services .............. 252,000
4 OCE ................................. 124,059
5 Fixed Assets ....................... 13,500


[$91,022] $96,022 or so much thereof as may be necessary, for the operations of the Office of Environment and Emergency Management during the fiscal year 2008. The sum appropriated herein shall be apportioned as follows:

Personnel ................................. $ 67,521
Travel ..................................... 15,828
Contractual Services ................... -0-
OCE ........................................ [7,673] 12,673
Fixed Assets .............................. -0-

(12) Office of National Archives, Culture and Historic Preservation.

$112,796 or so much thereof as may be necessary, for the operations of the Office of National Archives, Culture and Historic Preservation during the fiscal year 2008. The sum appropriated herein shall be apportioned as follows:
Section 4.  Operating Expenses of the National Judiciary Branch.  The sum of [$1,073,741] $1,078,741 or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 2008, for the operations of the Judiciary Branch of the National Government during the fiscal year 2008.  The sum appropriated by this section shall be apportioned as follows:

Personnel ...........................................$ 707,360
Travel .............................................. 120,000
Contractual Services .............................. 109,900
OCE ................................................. 109,481
Fixed Assets ...................................... 32,000"
Section 8. Grants, Subsidies and Contributions. The sum of $5,725,695 or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 2008, for the following grants, subsidies and contributions during fiscal year 2008. Of the total amount of funds appropriated herein, $1,900,000 shall be deemed to come from funds available under the amended Compact for Capacity Building, PROVIDED THAT these funds shall not be allocated or obligated until such time as formal approval has been obtained with the Amended Compact of Free Association. The sum appropriated by this section shall be apportioned as follows:

(1) Office of the President.
   (a) Asia-Pacific Broadcasting Dev. (AIBD) $ 4,500
   (b) Asia-Pacific Broadcasting Union (ABU) 800
   (c) Pacific Island News Assn. (PINA) 350

(2) Department of Foreign Affairs.
   (a) Pacific Islands Forum Secretariat 46,000
   (b) Secretariat of the Pacific Community (SPC) $ 56,000
(c) UN Membership fees (UN) ........... 60,000

(d) UN Economic and Social Commission for Asia and the Pacific (ESCAP) ........... 5,000

(e) East-West Center ................ 5,000

(3) Department of Finance and Administration.

(a) National Authorizing Comm.

Membership Fee (Cotonou) ...................... 10,000

(b) CTAOCO Membership Fee ............. 4,000

(c) Maintenance fee for Financial Management Information System .............. 60,000

(d) FMIS Project ......................... 877,710

(The total amount of funds appropriated herein shall be deemed to come from funds available under the amended Compact for Capacity Building. Of the total amount appropriated herein, $211,954 shall be deemed to come from Capacity Building sector grant awarded and appropriated in FY 2007 under Public Law No. 15-04, the lapse, if any, shall be extended until the fund is expended. Of the total amount appropriated herein, $315,756 shall be deemed to come from FY 2005 carry-over fund under capacity building grant. Of the total amount, $350,000 shall be deemed to come from the FY 2008 capacity building sector grant.
award, and shall be used exclusively for purpose of enable the installation of the Fundware program in Chuuk State and at the FSM National Government.

(e) Outstanding financial Obligations $ 100,000

(4) Department of Resources and Development.

(a) Pacific Islands Development Program 15,000
(b) Forum Fisheries Agency (FFA) .... 21,000
(c) UN Development Program ........... 3,000
(d) Coordinating Committee for Offshore Minerals Prospecting (SOPAC) ............... 15,000
(e) Pacific Asia Travel Association . 5,000
(f) UN Environmental Program (UNEP) . 600
(g) Western Forestry Leadership Coalition ............................................. 500
(h) Food Agriculture Organization (FAO) 4,700
(i) UN Framework Convention ........ 250
(j) National Association of State Foresters ........................................... 500
(k) National Environmental Speech Contest ........................................... 15,000
(l) FAO/TCP Matching ................ 34,508
(m) Matching for SPC Projects ...... 60,000
(n) Quarantine Services Improvement Project ...................................... $ 50,000
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<tr>
<th></th>
<th>Description</th>
<th>Amount</th>
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<tr>
<td>1</td>
<td>(o) 2nd National Environmental Conference</td>
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<tr>
<td></td>
<td>(p) 18th SPREP Annual Meeting</td>
<td>[70,000]</td>
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<tr>
<td></td>
<td></td>
<td>120,000</td>
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<tr>
<td>5</td>
<td>(5) Department of Health and Social Affairs</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(a) UN Fund for Population Activity (UNFPA)</td>
<td>3,000</td>
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<tr>
<td></td>
<td>(b) Secretariat of the Pacific Regional Environmental Program (SPREP)</td>
<td>7,375</td>
</tr>
<tr>
<td>10</td>
<td>(c) World Health Organization (WHO)</td>
<td>4,000</td>
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<tr>
<td></td>
<td>(d) National Board of Nursing</td>
<td>10,000</td>
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<tr>
<td></td>
<td>(e) Pacific Islands Health Officers Association</td>
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<td></td>
<td>(f) FSM Amateur Sports Association</td>
<td>20,000</td>
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<tr>
<td></td>
<td>(g) Association of Territorial Health Organization</td>
<td>2,000</td>
</tr>
<tr>
<td></td>
<td>(h) FSM Red Cross</td>
<td>70,000</td>
</tr>
<tr>
<td></td>
<td>(i) UNESCO</td>
<td>4,000</td>
</tr>
<tr>
<td></td>
<td>(j) NCSHPO</td>
<td>2,760</td>
</tr>
<tr>
<td></td>
<td>(k) PARBICA</td>
<td>100</td>
</tr>
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<td>(l) PIALA</td>
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<tr>
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<td>(m) WHC Membership Fee</td>
<td>54</td>
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<td>6</td>
<td>(6) Department of Education</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(a) Aid to Non-Public Schools</td>
<td>450,000</td>
</tr>
<tr>
<td></td>
<td>(b) Financial Assistance to FSM</td>
<td></td>
</tr>
</tbody>
</table>
Students attending College of Marshalls and Palau Community College ...............$ 50,000

(c) National Close-Up local ........ 64,000

(d) College of Micronesia Board (COM) Annual Meeting ......................... 5,000

(7) Department of Transportation, Communications and Infrastructure.

(a) Asia-Pacific Telecommunity (APT) 7,640

(b) International Telecommunications Union (ITU) ................................. 55,000

(c) International Civil Aviation Organization ........................................... 28,050

(d) FSM Capital Energy/Utilities .... 400,000

(e) Micronesian Shipping Commission (MSC) 10,000

(8) Coconut Development Authority (CDA).

(a) Copra Subsidy ................... 50,000

(b) Asia Pacific Coconut Community (APCC) ................................. 15,500

(9) Other Grants, Subsidies and Contributions.

(a) Kosrae Judiciary subsidy ........ 30,000

(b) Pohnpei Judiciary subsidy ........ 45,000

(c) Chuuk Judiciary subsidy ........ 45,000

(d) Yap Judiciary subsidy ........... 30,000

(e) COM Treaty Obligations .......... 25,000

(f) Micronesian Legal Services
Corporation ...............................$ 150,000

(g) States Joint Law Enforcement,
PROVIDED THAT $25,000 shall go to Kosrae State, $50,000 shall go to Pohnpei State, $50,000 shall go to Chuuk State and $25,000 shall go to Yap State ........................... 150,000

(h) Tuna Commission Membership ...... 16,000

(i) Disaster Assistance Emergency Fund (DAEF) Matching ...................[200,000] 300,000

(j) Micare .......................... 60,000

(k) MLFC Loan Payment ............... 196,000

(l) FY 08 Single Audit .............. 329,250

(m) Micronesia Petroleum Corporation,
PROVIDED THAT, of this amount, $525,600 shall take the form of a loan and associated bank fees, to be used to establish and maintain a reserve account with the Bank of Guam ...................... 575,600

(n) Compact Review Committee .........................[50,000] 100,000

(o) Acquiring financial management expertise for the Department of Administrative Services in Chuuk .......................... 1,500,000

(p) Chuuk Financial Control Commission 400,000

(q) National Government special
recognition for lifetime sporting achievement
of internationally successful weightlifter Manual Miningfel ......................... $ 10,000
(r) USDA Rural Development Project matching fund for Pohnpei (Lenger-Parem Water Project) ....................... 75,000"

Section 6. Section 9 of Public Law No. 15-11, as amended by Public Law No. 15-18, is hereby further amended to read as follows:

"Section 9. Capital and Human Resources Development.
The sum of [[$9,600,138] $15,092,620 or so much thereof
as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 2008, for the following capital improvements, development programs, and projects and human resources development. The sum appropriated by this section shall be apportioned as follows:

(1) College of Micronesia-FSM.
$7,070,852, or so much thereof as may be necessary, for the operations, programs and projects of the College during fiscal year 2008. The sum appropriated herein shall be apportioned as follows:

(a) COM-FSM operations, PROVIDED THAT all funds appropriated herein shall be deemed to come from funds
available under the amended Compact for
the Education Sector $3,800,000
(b) Fisheries and Maritime
Institute $650,000
(c) COM-FSM State Campus Facility Improvement, PROVIDED THAT the sum
appropriated herein shall be deemed to come
from funds available under the amended Compact
for Infrastructure Development Sector and, PROVIDED THAT, these funds shall not be
allotted or obligated until such time as
formal approval has been obtained in accordance with the Amended Compact of Free
Association $2,350,852
(d) COM-FSM Student Assist./Work Study Program $270,000
(2) Department of Finance and Administration.
(a) National Staff Upgrading $50,000
(3) Department of Resources and Development.
(a) FSM Tourism Promotion $0
(b) Diversification of Energy $0
(c) Crop Production Improvement $0
(d) FSM Promotion of Micronesian-Owned Businesses $0
(e) Capacity Building for Trade Policy
Formulation, Negotiation, & Implementation $ -0- 1

(f) Privatization of Public Enters. & Corp. Governance Reform .................. 50,000

[(g) Economic Policy & Statistics
Capacity Building ......................... 0]

(g) Development of Fisheries Stats. . -0-

(h) FSM Strategic Dev. Plan Update & Promotion ......................... 50,000

(4) Department of Transportation,
Communication and Infrastructure.

(a) FSM Multi-Purpose Bldg .......... 400,000

(b) Hauk Airport Extension .......... 500,000

(c) Capitol Rd and Drainage Improve . -0-

(d) Official Residences, Palikir .... 207,000

(e) Auditor’s Office Extension...... -0-

(f) Drydocking of Caroline Voyager .. 750,000

(5) Infrastructure Maintenance Fund (IMF).

(a) IMF ............................ 229,286

PROVIDED THAT $114,643 of the funds
appropriated herein shall be deemed to come
from funds available under the amended Compact
for Infrastructure Development Sector and,
PROVIDED THAT, these funds shall not be
allotted or obligated until such time as
formal approval has been obtained in
accordance with the Amended Compact of Free Association.

(6) President’s Office.

(a) FSM Trust Fund ...[$1,000,000] $ 2,000,000
(b) Extn of Presidents Conf. room ... -0-
(c) Contingency Fund ............... -0-
(d) Discretionary fund ............... 1,800,00
(e) Question-Costs fund ............. 1,335,482”

(7) Office of Statistics, Budget, Overseas Development Assistance and Compact Management.

(a) Economic Policy & Statistics Capacity Building ......................... 300,000

(b) Performance Reporting Capacity Building ......................... 350,000”

Section 7. 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: 2/8/08

Introduced by: /s/ Joe N. Suka

Joe N. Suka
(by request)