A BILL FOR AN ACT

To further amend Title 52 of the Code of the Federated States of Micronesia, as amended, by amending Section 163 thereof, for purposes to include Certified Audit Examiner, Anti-Fraud Examiner, Public Accountant, and Government Financial Managers to be eligible for professional premium, and for other purposes.

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

Section 1. Section 163 of Title 52 of the Code of the Federated States of Micronesia, as amended, is hereby further amended to read as follows:

"Section 163. Premiums. To recognize circumstances of employment which make it appropriate that consideration be given to labor market conditions outside the Federated States of Micronesia, and to recognize and reward the attainment of certain advanced professional status, the following premiums are provided to public service employees:

(1) Market place premium. An employee who is recruited in a location outside the Federated States of Micronesia, who is a noncitizen of the Federated States of Micronesia, and at the time of original hire, a nonresident thereof, may be paid a premium based on labor market conditions in the country of recruitment and on the level of the base salary. A market-place premium may be paid if prevailing rates of pay for equivalent positions are substantially higher in the
country of recruitment than in the Federated States of Micronesia. Upon request from the allottee of the funds from which the employee’s compensation is to be paid, the Secretary of the Department of Finance and Administration shall report to the allottee on the difference, insofar as it can best be estimated, between the prevailing rates in the Federated States of Micronesia and in the country of recruitment. The allottee may then determine what portion, if any, of the difference will be paid as a market-place premium. The amount of the premium determined by the allottee shall not be greater than 90% of the value of the employee’s base salary.

(2) Foreign service premium. An employee who is a citizen of the Federated States of Micronesia and who is assigned to a permanent duty station outside the Federated States of Micronesia may be paid a premium based on the cost of living in the place of assignment.

(3) Professional premium. An employee who has achieved advanced professional status in one of the following manners and who is employed in a position which requires or, directly utilizes such professional status may receive, in addition to the base salary of his position, a professional premium. The amount of professional premium to be paid, if any, shall be
determined by the allottee of the funds from which the employee’s salary is to be paid based upon the employee’s education, experience and expertise. The amount of the premium determined by the allottee shall not be greater than 90% of the value of the employee’s base salary. To be eligible for such a professional premium, the employee must meet one or more of the following requirements:

(a) attainment of an earned degree in law from a law school accredited by the competent authority in the jurisdiction in which it operates, and admission either to the FSM Supreme Court Bar or to practice law in another jurisdiction;

(b) admission to the FSM Supreme Court Bar and eight (8) years of experience in the legal field;

(c) [full membership of one or more of the professional accountancy associations listed in the Public Service Regulations, as amended from time to time, or certification by the Public Auditor that the employee’s qualifications and experience are equivalent to those which would be required to obtain full membership of such an association] attainment of an earned professional certification through examination from any professional accountancy, auditing, anti-fraud or government financial management association in the
United States such as the American Institute of Certified Public Accountants (AICPA), Association of Certified Fraud Examiners (ACFE), the Institute of Internal Auditors (IIA), and the Association of Government Accountants which issue professional designations such as Certified Public Accountant (CPA), Certified Fraud Examiner (CFE), Certified Internal Auditor (CIA), Certified Government Audit Professional (CGAP), and Certified Government Financial Manager (CGFM);

(d) attainment of an earned degree in engineering upon completion of a four-year course of study from a college, university or educational institution which is accredited by the competent authority in the jurisdiction in which the college, university or educational institution is located; and

(e) attainment of an earned doctorate in any field.

(4) The Public Auditor will conduct an annual audit of all professional and marketplace premiums being paid to public service employees. The audit findings shall be transmitted to the President and Congress."
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: 5/18/09

Introduced by: /s/ Joe N. Suka
Joe N. Suka
(by request)