July 2, 2009

The Honorable Isaac V. Figir  
Speaker  
16th FSM Congress  
Palikir, Pohnpei, FM 96941

Dear Speaker Figir:

I have designated as Public Law No.16-4 the following Congressional Act which became law without my signature:

Congressional Act No. 16-4, "AN ACT TO AMEND SECTIONS 1 AND 2 OF PUBLIC LAW NO. 15-80 TO CHANGE THE USE OF CERTAIN FUNDS PREVIOUSLY APPROPRIATED THEREIN FOR PUBLIC PROJECTS AND SOCIAL PROGRAMS IN THE STATES OF Pohnpei, Kosrae, Yap and Chuuk, and for other purposes."

While the act seems to be a routine legislation changing the use of previous appropriations for public projects, and should not therefore evoke legal complications, I wish to reiterate the concerns I brought to your attention before concerning the funding for the delegation offices and election district offices. Budget for delegation offices as I understand is part of the operational expenditures (as opposed to project) of the government. Under § 103(1), Congress is required to submit “planned operational and development expenditures” for the ensuing fiscal year. Planned operational expenses shall be presented in line-item form. The practice of funding delegation offices through project appropriation is contrary to the design and intent of chapter 1 title 55 which lays down the budget procedures for the national government enacted by Congress. Moreover, an appropriation for operational expenditures is for one fiscal year at a time. See, § 103(3). And yet appropriation for operational needs of delegation offices is completely divorced from fiscal year concept as it does not lapse until fully expended – as if delegation offices are projects which they are not. Funding for the offices in issue should be scrutinized with deliberate care in light of budgeting procedures and policies in place.

In view of the foregoing, I am constrained not to approve of the act; instead, I have allowed the same to become law without my signature. I wish for Congress to revisit and carefully study the matter as soon as possible to avoid repeated violation of the procedure and policies governing annual budgeting of all the activities in the national government.

Sincerely,

Manny Mori  
President

Enclosures

xc: Chief Justice, FSM Supreme Court  
Secretary, Department of Justice  
Director, Office of SBOC  
Library, CFSM  
Legislative Counsel, CFSM  
PIO, FSM
June 01, 2009

His Excellency Manny Mori
President
Federated States of Micronesia
Palikir, Pohnpei FM 96941

Dear President Mori:

I have the honor to transmit herewith Congressional Act No. 16-4, "AN ACT TO AMEND SECTIONS 1 AND 2 OF PUBLIC LAW NO. 15-80 TO CHANGE THE USE OF CERTAIN FUNDS PREVIOUSLY APPROPRIATED THEREIN FOR PUBLIC PROJECTS AND SOCIAL PROGRAMS IN THE STATES OF Pohnpei, Kosrae, Yap and Chuuk, AND FOR OTHER PURPOSES.", which was passed by the Sixteenth Congress of the Federated States of Micronesia, First Regular Session, 2009, by a two-thirds vote of all the State delegations as required and as duly certified.

Sincerely yours,

Liwiana K. Ramon
Chief Clerk, Congress of the Federated States of Micronesia

Enclosures
An Act

TO AMEND SECTIONS 1 AND 2 OF PUBLIC LAW NO. 15-80 TO CHANGE THE USE OF CERTAIN FUNDS PREVIOUSLY APPROPRIATED THEREIN FOR PUBLIC PROJECTS AND SOCIAL PROGRAMS IN THE STATES OF POHNPEI, KOSRAE, YAP AND CHUUK, AND FOR OTHER PURPOSES.

INTRODUCED BY SENATOR: DOHSIS HALBERT
DATE: MAY 22, 2009

REFERRED TO: WAYS AND MEANS COMMITTEE
S.C.R. NO. 16-4 – MAY 25, 2009

FIRST READING: MAY 25, 2009
SECOND READING: MAY 30, 2009

Liwiana K. Ramon
Chief Clerk, FSM Congress
ACT NO. 16-4

(CONGRESSIONAL BILL NO. 16-18, C.D.1, C.D.2, C.D.3, C.D.4)

We hereby certify that on May 30 the foregoing act passed Second and Final Reading of the Sixteenth Congress of the Federated States of Micronesia, First Regular Session, 2009, by a two-thirds vote of all the State delegations as required under article IX, section 20, of the Constitution of the Federated States of Micronesia.

Isaac V. Figir
Speaker
Congress of the Federated States of Micronesia

Liwiana K. Ramon
Chief Clerk
Congress of the Federated States of Micronesia
AN ACT

To amend Sections 1 and 2 of Public Law No. 15-80 to change the use of certain funds previously appropriated therein for public projects and social programs in the States of Pohnpei, Kosrae, Yap and Chuuk, and for other purposes.

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

1 Section 1. Section 1 of Public Law No. 15-80 is hereby amended to read as follows:

"Section 1. The sum of $540,000 is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 2009, for the purpose of funding the T-3 Program Operation, public projects and social programs in the States of Chuuk, Yap, Pohnpei and Kosrae, and for other purposes. The sum appropriated herein shall be apportioned as follows:

(1) State of Kosrae...................... $ 70,000

(a) September 8, 2009 liberation activities

   (i) Lelu Municipality............ 1,300
   (ii) Tafunsak Municipality...... 1,200
   (iii) Malem Municipality........ 800
   (iv) Utwa Municipality........... 700

(b) Kosrae Public Auditor contractual
services ........................................ $ 5,000

(c) Senior citizens building renovation

(i) Lelu senior citizens....... 5,000
(ii) Tafunsak senior citizens... 5,000
(iii) Malem senior citizens...... 5,000
(iv) Utwa senior citizens....... 5,000

(d) Aquaculture exportation costs... 6,000

(e) Kosrae Senior Citizens subsidies

(i) Lelu senior citizens....... 1,000
(ii) Tafunsak senior citizens... 1,000
(iii) Malem senior citizens...... 1,000
(iv) Utwa senior citizens....... 1,000
(v) Walung senior citizens..... 1,000

(f) Kosrae High School

lunch program................................. 18,000

(g) Kosrae Women Association

(i) Lelu Women Association..... 1,000
(ii) Tafunsak Women Association.. 1,000
(iii) Malem Women Association.... 1,000
(iv) Utwa Women Association..... 1,000
(v) Walung Women Association... 1,000

(h) Medical referrals for

non-insured and non-employed Kosraeans,

PROVIDED THAT reprogramming of this funding

is not allowed............................... 5,000
(i) Equipment for Kosrae State Broadcast Station

(2) State of Yap

(a) COM-FSM Yapese students traveling expenses for hospitality training

(b) Falalop, Ulithi community projects (water catchment, men's house, community center, renovation/repair & freight costs)

(c) PHI THETA KAPPA honor society (i) Registration fees

(ii) Airfare (Pohnpei to Honolulu, Hawaii)

(d) Scholarship program for full time Yapese students in post secondary education who maintain a 3.5 GPA

(3) State of Pohnpei

(a) Student's needs and financial assistance

(b) Election District No. 1 (i) Pakin transportation needs

(ii) Project Management

(iii) Matching for Roie retaining wall

(c) Election District No. 2 (i) Madolenihmw Municipal
Government management training $5,000
(ii) Edienleng water system $8,000
(iii) Kitti Fisherman’s wharf $0
(iv) Election District No. 2
secondary road improvement $12,000
(v) Funding for participants
to PIPPA & PEC conferences $10,000
(vi) Water Delivery Services $25,000
(d) Election District No. 3
(i) Nett School Sports
complex matching $12,000
(ii) U Municipal government
subsidy $7,000
(iii) Pingelap Municipal
government subsidy $5,000
(iv) Mwoakiloa Municipal
government subsidy $5,000
(v) ED #3 operation $2,000
(vi) Youth activities and
musical instruments $4,000
(4) State of Chuuk $210,000
(a) Chuuk At Large
(i) Public Facilities repairs,
construction and improvement projects $7,000
(ii) Low-income housing subsidy $7,000
(iii) Multipurpose building repair and renovation .................. $ 3,000
(iv) At-Large operation ........ 5,000
(v) Moch Municipal
Government subsidy .................. 1,500
(vi) Satowan Municipal
Government subsidy .................. 1,500
(vii) Fishing projects
(gear and equipment purchase) ............ 20,000
(b) Election District No. 1
(i) Leadership Travel ........ 12,000
(ii) Student's Financial Assistance .................. 3,000
(iii) Community Centers Renovation 10,000
(iv) Youth Activities & musical instruments .................. 4,000
(v) Election District No. 1
contractual services & operation ........ 6,000
(c) Election District No. 2
(i) ED #2 Operation ........ 7,000
(ii) Northern Namoneas Development Authority (NDDA) Operation ..... 10,000
(iii) Leadership travel ........ 8,000
(d) Election District No. 3
(i) ED #3 Municipalities subsidies 10,000
CONGRESSIONAL BILL NO. 16-18, C.D.1,  
C.D.2, C.D.3, C.D.4  

(ii) Fishing projects

a) Nukanap Fishing Group $3,100
b) Nekupach Fishing Group 3,100
c) Fanemouch Fishing Group 3,100
d) Nemon Fishing Group ...

(iii) ED #3 Operation .............. 12,600

(e) Election District No. 4

(i) Election District No. 4

Operation ............................. 15,000

(ii) Tolensom Municipal subsidy. 10,000

(iii) Wolep Road improvement & beautification ..................... -0-

(iv) Low-income housing subsidy. 5,000

(v) Youth activities & program. 5,000

(f) Election District No. 5

(i) POL & Charter ................. 8,000

(ii) Transport of remains and other related costs ................... 8,000

(iii) Election District No. 5

Operation ............................. 5,000

(iv) Leadership travel .............. 5,000

(v) Student's financial assistance 3,000

(vi) Fisheries training .......... 6,000

(5) T-3 Program Operation ............. 50,000"
amended to read as follows:

"Section 2. Allotment and management of funds and lapse date.

(1) General Provisions.

(a) All funds appropriated by this act shall be allotted, managed, administered and accounted for in accordance with applicable law, including, but not limited to, the Financial Management Act of 1979.

(b) The allottees shall be responsible for ensuring that these funds, or so much thereof as may be necessary, are used solely for the purpose specified in this act, and that no obligations are incurred in excess of the sum appropriated.

(2) Allottees. The allottees of the funds appropriated by this act are as follows:

(a) Subsection 1 of Section 1 - the allottee of these funds shall be the President of the Federated States of Micronesia or his designee;

(b) Subsection 2 of Section 1 - the allottee of these funds shall be the Governor of Yap State or his designee, PROVIDED THAT the allottee of funds under subsections 1(2)(a), 1(2)(c)(i) and 1(2)(c)(ii) of this Act shall be the President of the College of Micronesia - FSM;

(c) Subsection 3 of Section 1 - the allottee of
these funds shall be the President of the Federated States of Micronesia or his designee;

(d) Subsection 4 of Section 1 – the allottee of these funds shall be the Chuuk State Commission on Improvement Projects;

(e) Subsection 5 of Section 1 – the allottee of these funds shall be the President of the Federated States of Micronesia or his designee.

(3) **Lapse Date.** The authority of the allottee to obligate funds appropriated by this act shall not lapse until fully expended.”

Section 3. This act shall become law upon approval by the President of the Federated States of Micronesia or upon its becoming law without such approval.

______________________________, 2009

Manny Mori
President
Federated States of Micronesia