



The President
Palikir, Pohnpei
Federated States of Micronesia

PRESIDENTIAL COMM. NO. 17-311
FSM CONGRESS

September 29, 2012

The Honorable Isaac V. Figir
Speaker
17th FSM Congress
Palikir, Pohnpei FM 96941

Dear Speaker Figir:

I am pleased to inform Congress that I have signed the following congressional act to become Public Law No. 17-64 pursuant to Article IX Section 22 of the FSM Constitution:


Congressional Act No. 17-64: "AN ACT TO APPROPRIATE \$40,491,992 FROM THE GENERAL FUND OF THE FEDERATED STATES OF MICRONESIA FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2013, TO PROVIDE FUNDING FOR THE OPERATIONS OF ALL BRANCHES OF NATIONAL GOVERNMENT OF THE FEDERATED STATES OF MICRONESIA, ITS AGENCIES, VARIOUS PROGRAMS, GRANTS, SUBSIDIES AND CONTRIBUTIONS, AND CAPITAL AND HUMAN RESOURCES DEVELOPMENT, AND FOR OTHER PURPOSES."

Attached to this transmittal is a signing statement which explains the item veto, the views, comments and policy considerations of the Executive in light of the deficiencies revealed upon review of the FY2013 Budget Act.

I wish to thank Congress for passing the Budget Act, especially funding for the Postal Services Agreement and settlement of the fishery litigation.

With warm personal regards, I remain,

Sincerely,


Manny Mori
President

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





The President
Palikir, Pohnpei
Federated States of Micronesia

PRESIDENTIAL STATEMENT ON THE SIGNING OF CONGRESSIONAL ACT NO. 17-64: "AN ACT TO APPROPRIATE \$40,491,992 FROM THE GENERAL FUND OF THE FEDERATED STATES OF MICRONESIA FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2013, TO PROVIDE FUNDING FOR THE OPERATIONS OF ALL BRANCHES OF NATIONAL GOVERNMENT OF THE FEDERATED STATES OF MICRONESIA, ITS AGENCIES, VARIOUS PROGRAMS, GRANTS, SUBSIDIES AND CONTRIBUTIONS, AND CAPITAL AND HUMAN RESOURCES DEVELOPMENT, AND FOR OTHER PURPOSES."

I thank the Seventeenth Congress for its expeditious action on the FY2013 Budget notwithstanding the delayed JEMCO meeting. I am quite pleased that Congress accepted the domestic revenue projection of the Executive as basis of the budget. Of the \$43,054,800 projected from domestic revenue, \$33,834,849 is appropriated in the act, leaving an unallocated \$9,219,951.

The goals of the FY2013 budget are to strengthen the economy by improving basic services, streamline government functions, and encourage efficiency in government operations. To achieve these goals, the Executive Budget Review Committee (EBRC) was tasked to formulate and recommend the fiscal year budget by, first of all, assessing the overall performance during FY2012. The recommended FY2013 budget was designed to further improve the delivery of services based on carefully developed program priorities that are not necessarily the same as in FY2012. Several months were spent deliberating and consulting with the departments and agencies to produce a comprehensive budget.

Unfortunately, the diligent works of the EBRC and the attempts to engage the committees in Congress were rendered futile because the FY2013 budget is kept at the FY2012 level irrespective of the disparity of priorities and challenges between the two fiscal years. Clearly, our consultative efforts were insufficient as the FY2013 budget failed to reflect the urgent priorities for the approaching fiscal year. Specifically, the FY2013 budget neglects the \$500,000 Pension Plan, the \$1,000,000 outer island airstrip, the \$1,000,000 FSMDB capital to stimulate the private sector, the \$1,560,000 PUC assistance to stabilize power generation, the \$1,000,000 Compact Trust Fund subsidy, and the \$800,000 Sekere Bridge.

Had Congress indicated at the outset its intention to keep the FY2012 budget level, the Executive could have warned of inadequacies and recommended more effective alternatives. The lack of open consultation between our branches led to errors in the budget, as exemplified by the redundant funding for State Court renovations, the Kosrae Post Office, and a retaining wall for Public Defender's Office, which were already funded in the FY2012 budget. Therefore, I have no choice but veto these flawed line items.

Another error involves shifting the Medical Specialized Team back to capital improvement with duplicate funding in the operation budget of the Department of Health and Social Affairs. These are some of the defects in the budget that require additional work because of our failure to work together.



PRESIDENTIAL STATEMENT ON THE SIGNING OF
CONGRESSIONAL ACT NO. 17-64:

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I reiterate the concerns raised in regard to committee reports which the standing committees consider as policy statements, when many of those statements are inconsistent and conflicting. For example, each report explains the budget on a category-by-category basis. It indicates approval or disapproval of line items that the EBRC recommended. But the amounts used in the budget act are different from the figures approved in the committee reports. Moreover, the consolidated budget report states that the FY2012 budget level remains, but there is no explanation on how to resolve the conflicting policy statements. In the absence of clarification from Congress or its committees, the script of the law remains the most reliable expression of budget policy for this Nation, especially in light of the inconsistencies as explained.

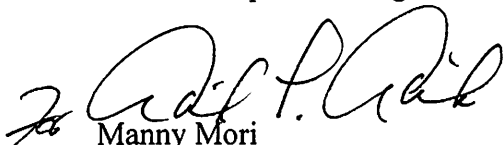
I am also disappointed that after repeated appeals made to Congress, passport processing stations were not approved despite the grant award from OIA and the enormous benefits those stations would bring to our citizens in the United States.

On the other hand, I am pleased that Congress approved domestic revenue funding for the Department of Education following a decision of JEMCO not to fund the Office of the Secretary from Compact sector. But I am very concerned about the piecemeal budgeting of the Project Management Unit (PMU) and the unintended message created - as if the FSM rejected the one-year JEMCO-approved allocation for PMU operation. National agencies funded under the Compact sector were allocated their one-year budget as was the PMU. Other agencies such as Department of Education and Department of Health and Social Affairs received full-year appropriation in this act, except PMU.

I urge Congress to seriously consider taking quick action on pending tax reform bills. The national government needs to demonstrate its commitment to progress in the reforms which is in the best interest of the Nation.

In conclusion, I hope that Congress will consider other items not addressed in the act at its next session.

With warm personal regards, I remain,


Manny Mori
President



CONGRESS OF THE FEDERATED STATES OF MICRONESIA

P.O. Box PS 3
Palikir, Sokehs
Pohnpei State, FM 96941
Tel: (691) 320-2324 / 2338
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Office of the Chief Clerk

September 26, 2012



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. 17-64, "AN ACT TO APPROPRIATE \$40,491,992 FROM THE GENERAL FUND OF THE FEDERATED STATES OF MICRONESIA FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2013, TO PROVIDE FUNDING FOR THE OPERATIONS OF ALL BRANCHES OF THE NATIONAL GOVERNMENT OF THE FEDERATED STATES OF MICRONESIA, ITS AGENCIES, VARIOUS PROGRAMS, GRANTS, SUBSIDIES AND CONTRIBUTIONS, AND CAPITAL AND HUMAN RESOURCES DEVELOPMENT, AND FOR OTHER PURPOSES.", which was passed by the Seventeenth Congress of the Federated States of Micronesia, Fifth Regular Session, 2012, by a two-thirds vote of all the State delegations as required and as duly certified.

Sincerely yours,

A handwritten signature in blue ink, appearing to read "Liwiana Ramon Ioanis".

Liwiana Ramon Ioanis
Chief Clerk, Congress of the
Federated States of Micronesia

Enclosures



SEVENTEENTH CONGRESS OF THE
FEDERATED STATES OF MICRONESIA
FIFTH REGULAR SESSION
SEPTEMBER 10 - 29, 2012

PUBLIC LAW No. 17- 64

An Act

TO APPROPRIATE \$40,491,992 FROM THE GENERAL FUND OF THE FEDERATED STATES OF MICRONESIA FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2013, TO PROVIDE FUNDING FOR THE OPERATIONS OF ALL BRANCHES OF THE NATIONAL GOVERNMENT OF THE FEDERATED STATES OF MICRONESIA, ITS AGENCIES, VARIOUS PROGRAMS, GRANTS, SUBSIDIES AND CONTRIBUTIONS, AND CAPITAL AND HUMAN RESOURCES DEVELOPMENT, AND FOR OTHER PURPOSES.

INTRODUCED BY SENATOR: DOHSIS HALBERT

DATE: SEPTEMBER 24, 2012

REFERRED TO: COMMITTEE ON WAYS AND MEANS

S.C.R. NO. 17-149 – SEPTEMBER 25, 2012

FIRST READING: SEPTEMBER 25, 2012

SECOND READING: SEPTEMBER 26, 2012

A handwritten signature in blue ink, appearing to read "Liwiana Ramon Ioanis".

Liwiana Ramon Ioanis
Chief Clerk, FSM Congress

SEVENTEENTH CONGRESS OF THE FEDERATED STATES OF MICRONESIA

FIFTH REGULAR SESSION, 2012

CONGRESSIONAL BILL NO. 17-175, C.D.1,
C.D.2, C.D.3, C.D.4, C.D.5

PUBLIC LAW NO. 17-64

AN ACT

To appropriate \$40,491,992 from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 2013, to provide funding for the operations of all branches of the National Government of the Federated States of Micronesia, its agencies, various programs, grants, subsidies and contributions, and Capital and Human Resources Development; and for other purposes.

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

1 Section 1. Purpose. The purpose of this act is to
2 appropriate the sum of \$40,491,992, or so much thereof as may be
3 necessary, from the General Fund of the Federated States of
4 Micronesia for the fiscal year ending September 30, 2013, for the
5 purpose of funding the operations of all branches of the National
6 Government of the Federated States of Micronesia, its agencies,
7 various programs, grants, subsidies and contributions, and Capital
8 and Human Resources Development. Of the total amount of funds
9 appropriated herein, \$4,252,868 shall be deemed to come from funds
10 available under the amended Compact from the education sector
11 subject to the receipt of Grant Awards under the amended Compact;
12 \$1,067,875 shall be deemed to come from funds available under the
13 Supplemental Education Grant; \$895,705 shall be deemed to come
14 from funds available under the amended Compact from the health sector
15 subject to the receipt of Grant Awards under the amended Compact;
16 \$-0- shall be deemed to come from funds available under the
17 amended Compact from the capacity building sector; \$-0- shall be

1 deemed to come from funds available under the amended Compact from
2 the private sector development sector; \$157,450 shall be deemed to
3 come from funds available under the amended Compact from the
4 enhanced reporting and accountability sector; and \$283,245 shall
5 be deemed to come from funds available under the amended Compact
6 from the infrastructure sector.

7 Section 2. Operating expenses of the Executive Branch. The
8 sum of \$17,476,471, or so much thereof as may be necessary, is
9 hereby appropriated from the General Fund of the Federated States
10 of Micronesia for the fiscal year ending September 30, 2013, for
11 the purpose of funding the operations of the Executive Branch of
12 the National Government during fiscal year 2013. Of the total
13 amount of funds appropriated herein, \$652,868 shall be deemed to
14 come from funds available under the amended Compact from the
15 education sector subject to the receipt of Grant Awards under the
16 amended Compact; \$384,529 shall be deemed to come from funds
17 available under the Supplemental Education Grant; \$505,705 shall
18 be deemed to come from funds available under the amended Compact
19 from the health sector subject to the receipt of Grant Awards
20 under the amended Compact; and \$-0- shall be deemed to come from
21 funds available under the amended Compact from the capacity
22 building sector; \$157,450 shall be deemed to come from funds
23 available under the amended Compact from the enhanced reporting
24 and accountability sector and \$283,245 shall be deemed to come
25 from funds available under the amended Compact from the

1 infrastructure sector. The sum appropriated by this section shall
2 be apportioned as follows:

3 (1) Office of the President.

4 The sum of \$729,714, or so much thereof as may be necessary, for
5 the operations of the Office of the President during fiscal year
6 2013. The sum appropriated herein shall be apportioned as
7 follows:

8	Personnel	\$	340,826
9	Travel		143,324
10	Contractual Services		146,000
11	OCE		90,564
12	Fixed Assets		9,000

13 (2) Department of Foreign Affairs.

14 The sum of \$4,132,617, or so much thereof as may be necessary, for
15 the operations of the Department of Foreign Affairs during fiscal
16 year 2013. The sum appropriated herein shall be apportioned as
17 follows:

18	Personnel	\$	1,297,155
19	Travel		234,893
20	Contractual Services		2,187,837
21	OCE		369,232
22	Fixed Assets		43,500

23 (3) Department of Finance and Administration.

24 The sum of \$1,814,472, or so much thereof as may be necessary, for
25 the operations of the Department of Finance and Administration

1 during fiscal year 2013. Of the total amount of funds
2 appropriated herein, \$157,450 shall be deemed to come from funds
3 available under the amended Compact from the enhanced reporting
4 and accountability sector. The sum appropriated herein shall be
5 apportioned as follows:

6	Personnel	\$ 1,106,718
7	Travel	169,450
8	Contractual Services	322,906
9	OCE	212,398
10	Fixed Assets	3,000

11 (4) Department of Resources and Development.

12 The sum of \$849,750, or so much thereof as may be necessary, for
13 the operations of the Department of Resources and Development
14 during fiscal year 2013. The sum appropriated herein shall be
15 apportioned as follows:

16	Personnel	\$ 527,160
17	Travel	112,081
18	Contractual Services	103,307
19	OCE	87,602
20	Fixed Assets	19,600

21 (5) Department of Transportation, Communication and
22 Infrastructure.

23 The sum of \$2,546,555, or so much thereof as may be necessary, for
24 the operations of the Department of Transportation, Communication
25 and Infrastructure during fiscal year 2013. Of the total amount

1 of funds appropriated herein, \$283,245 shall be deemed to come
2 from funds available under the amended Compact from the
3 infrastructure sector. The sum appropriated herein shall be
4 apportioned as follows:

5	Personnel	\$	741,132
6	Travel		126,264
7	Contractual Services		1,481,304
8	OCE		74,667
9	Fixed Assets		123,188

10 (6) Department of Health and Social Affairs.

11 The sum of \$963,870, or so much thereof as may be necessary, for
12 the operations of the Department of Health and Social Affairs
13 during fiscal year 2013. Of the total amount of funds
14 appropriated herein, \$505,705 shall be deemed to come from funds
15 available under the amended Compact from the health sector
16 subject to the receipt of Grant Awards under the amended Compact.
17 The sum appropriated herein shall be apportioned as follows:

18	Personnel	\$	446,901
19	Travel		161,208
20	Contractual Services		266,421
21	OCE		89,340
22	Fixed Assets		0

23 (7) Department of Education.

24 The sum of \$1,175,007, or so much thereof as may be necessary,
25 for the operations of the Department of Education during fiscal

1 year 2013. The sum appropriated herein shall be apportioned as
2 follows:

3	Personnel	\$ 525,442
4	Travel	78,779
5	Contractual Services	115,350
6	OCE	44,100
7	Fixed Assets	-0-

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

10 The sum of \$978,750, or so much thereof as may be necessary, for
11 the operations of the Office of Statistics, Budget, Overseas
12 Development Assistance and Compact Management during fiscal year
13 2013. The sum appropriated herein shall be apportioned as
14 follows:

15	Personnel	\$ 568,563
16	Travel	97,747
17	Contractual Services	205,000
18	OCE	98,340
19	Fixed Assets	9,100

20 (11) Office of Environment and Emergency Management.

21 The sum of \$326,791, or so much thereof as may be necessary, for
22 the operations of the Office of Environment and Emergency
23 Management during fiscal year 2013. The sum appropriated herein
24 shall be apportioned as follows:

25	Personnel	\$ 173,363
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1	Travel	\$	68,528
2	Contractual Services		65,000
3	OCE		19,900
4	Fixed Assets		-0-

5 (12) Office of National Archives, Culture and Historic
6 Preservation. The sum of \$126,598, or so much thereof as may be
7 necessary, for the operations of the Office of National Archives,
8 Culture and Historic Preservation during fiscal year 2013. The
9 sum appropriated herein shall be apportioned as follows:

10	Personnel	\$	94,478
11	Travel		13,620
12	Contractual Services		5,000
13	OCE		10,000
14	Fixed Assets		3,500

15 Section 3. Operating Expenses of the Legislative
16 Branch. The sum of \$3,305,228, or so much thereof as may be
17 necessary, is hereby appropriated from the General Fund of the
18 Federated States of Micronesia for the fiscal year ending
19 September 30, 2013, for the operations of the Legislative Branch
20 of the National Government during fiscal year 2013. The sum
21 appropriated by this section shall be apportioned as follows:

22 (1) Speaker and Members.

23 The sum of \$1,525,771, or so much thereof as may be necessary, for
24 the operations of the Office of the Speaker and Members of the
25 Congress of the Federated States of Micronesia during fiscal year

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1 2013. The sum appropriated herein shall be apportioned as
2 follows:

3	Personnel	\$ 423,290
4	Travel	524,881
5	Contractual Services	507,600
6	OCE	70,000
7	Fixed Assets	-0-

8 (2) Staff Offices.

9 The sum of \$1,289,457, or so much thereof as may be necessary, for
10 the operations of the Congress staff offices during fiscal year

11 2013. The sum appropriated herein shall be apportioned as
12 follows:

13	Personnel	\$ 824,705
14	Travel	93,252
15	Contractual Services	210,500
16	OCE PROVIDED THAT up to \$10,000 may be used to pay	
17	expenses incurred during previous fiscal	
18	years.....	127,000
19	Fixed Assets	34,000

20 (3) Congress Delegation Offices.

21 The sum of \$490,000, or so much thereof as may be necessary, for
22 the operations of the Congress delegation offices during fiscal
23 year 2013. Of the amounts appropriated for contractual services
24 within each Delegation Office, up to a maximum of \$25,000 per
25 Member, at the Delegation Offices' discretion, may be used for

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1 Member Representation. The sum appropriated is apportioned as
2 follows:

3	(a) Kosrae Delegation Office	
4	Travel	\$ -0-
5	Contractual Services	50,000
6	OCE	20,000
7	Fixed Assets	-0-
8	Total	70,000
9	(b) Pohnpei Delegation Office	
10	Travel	10,000
11	Contractual Services	100,000
12	OCE	30,000
13	Fixed Assets	-0-
14	Total	140,000
15	(c) Chuuk Delegation Office	
16	Travel	36,000
17	Contractual Services	150,000
18	OCE	10,000
19	Fixed Assets	14,000
20	Total	210,000
21	(d) Yap Delegation Office	
22	Travel	10,000
23	Contractual Services	30,000
24	OCE	25,000
25	Fixed Assets	5,000

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1 Total\$ 70,000

2 Section 4. Operating Expenses of the National Judicial

3 Branch. The sum of \$1,276,036, or so much thereof as may be
4 necessary, is hereby appropriated from the General Fund of the
5 Federated States of Micronesia for the fiscal year ending
6 September 30, 2013, for the operations of the Judicial Branch of
7 the National Government during fiscal year 2013. The sum
8 appropriated by this section shall be apportioned as follows:

9	Personnel	\$	757,415
10	Travel		147,015
11	Contractual Service		120,300
12	OCE		175,306
13	Fixed Assets		76,000

14 Section 5. Operating Expenses of the National Public

15 Auditor. The sum of \$716,243, or so much thereof as may be
16 necessary, is hereby appropriated from the General Fund of the
17 Federated States of Micronesia for the fiscal year ending
18 September 30, 2013, for the operations of the National Office of
19 the Public Auditor and for the National Public Auditor's Chuuk
20 Office. Of the total amount of funds appropriated herein, \$-0-
21 shall be deemed to come from funds available under the amended
22 Compact from the capacity building sector. The sum appropriated
23 by this section shall be apportioned as follows:

24	Personnel	\$	441,792
25	Travel		135,951

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1	Contractual Services	\$	86,000
2	OCE		52,500
3	Fixed Assets		-0-

4 Section 6. Operating Expenses of Agencies of the National
5 Government. The sum of \$1,775,092, or so much thereof as may be
6 necessary, is hereby appropriated from the General Fund of the
7 Federated States of Micronesia for the fiscal year ending
8 September 30, 2013, for the operations of the following boards,
9 commissions and agencies during fiscal year 2013. The sum
10 appropriated by this section shall be apportioned as follows:

11 (1) National Oceanic Resource Management Authority
12 (NORMA). The sum of \$417,807, or so much thereof as may be
13 necessary, for operations of National Oceanic Resource Management
14 Authority (NORMA) for fiscal year 2013. The sum appropriated
15 herein shall be apportioned as follows:

16	Personnel	\$	209,791
17	Travel		85,016
18	Contractual Services		67,900
19	OCE		44,100
20	Fixed Assets		11,000

21 (2) Board of Regents (COM-FSM).

22 The sum of \$75,000, or so much thereof as may be necessary, for
23 the operations of the Board of Regents, COM-FSM, during fiscal
24 year 2013. The sum appropriated herein shall be apportioned as
25 follows:

1	Personnel	\$	-0-
2	Travel		45,000
3	Contractual Services		20,000
4	OCE		10,000
5	Fixed Assets		-0-

6 (3) Coconut Development Authority (CDA).

7 The sum of \$112,475, or so much thereof as may be necessary, for
8 the operations of the Coconut Development Authority during fiscal
9 year 2013. The sum appropriated herein shall be apportioned as
10 follows:

11	Personnel	\$	90,834
12	Travel		11,641
13	Contractual Services		-0-
14	OCE.....		10,000
15	Fixed Assets		-0-

16 (4) FSM Banking Board.

17 The sum of \$175,869, or so much thereof as may be necessary, for
18 the operations of FSM Banking Board during fiscal year 2013. The
19 sum appropriated herein shall be apportioned as follows:

20	Personnel	\$	78,117
21	Travel		57,197
22	Contractual Services		18,100
23	OCE.....		20,055
24	Fixed Assets		2,400

25 (5) FSM Postal Services.

1 The sum of \$775,243, or so much thereof as may be necessary, for
2 the operations of the National Postal Services during fiscal year
3 2013. The sum appropriated herein shall be apportioned as
4 follows:

5	Personnel	\$ 449,022
6	Travel	42,741
7	Contractual Services	156,080
8	OCE.....	107,400
9	Fixed Assets	20,000

10 (6) FSM Insurance Board.

11 The sum of \$218,698, or so much thereof as may be necessary, for
12 the operations of the FSM Insurance Board during fiscal year 2013.
13 The sum appropriated herein shall be apportioned as follows:

14	Personnel	\$ 79,893
15	Travel	45,005
16	Contractual Services	72,395
17	OCE	11,705
18	Fixed Assets	9,700

19 Section 7. Special Programs. The sum of \$276,302, or so
20 much thereof as may be necessary, is hereby appropriated from the
21 General Fund of the Federated States of Micronesia for the fiscal
22 year ending September 30, 2013, for the following special programs
23 during fiscal year 2013. The sum appropriated by this section
24 shall be apportioned as follows:

25 (1) National Election Office.

1 The sum of \$276,302, or so much thereof as may be necessary, for
2 the operations of National Election Office during fiscal year
3 2013. The sum appropriated herein shall be apportioned as
4 follows:

5	Personnel	\$ 188,740
6	Travel	12,972
7	Contractual Services	21,877
8	OCE.....	48,463
9	Fixed Assets	4,250

10 Section 8. Grants, Subsidies and Contributions. The sum of
11 \$7,646,326, or so much thereof as may be necessary, is hereby
12 appropriated from the General Fund of the Federated States of
13 Micronesia for the fiscal year ending September 30, 2013, for the
14 following grants, subsidies and contributions during fiscal year
15 2013. Of the total amount of funds appropriated herein, \$500,000
16 shall be deemed to come from funds available under the amended
17 Compact from the education sector subject to the receipt of Grant
18 Awards under the amended Compact; and \$-0- shall be deemed to come
19 from funds available under the Supplemental Education Grant. The
20 sum appropriated by this section shall be apportioned as follows:

21 (1) Office of the President.

22	(a) Asia-Pacific Broadcasting Dev. (AIBD)...	\$ 4,500
23	(b) Asia-Pacific Broadcasting Union (ABU)	800
24	(c) Pacific Island News Assn.(PINA)	350
25	(d) National Prayer Day	10,000

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1	(e) SNLC and donor consultation	\$ 40,191
2	(2) <u>Department of Foreign Affairs.</u>	
3	(a) Pacific Islands Forum Secretariat...	46,000
4	(b) Secretariat of the Pacific Community	
5	(SPC)	56,000
6	(c) UN Membership Fee	70,000
7	(d) UN Economic and Social Commission for	
8	Asia and the Pacific (ESCAP)	5,000
9	(e) East West Center	5,000
10	(f) Cotonou Membership Fee	64,000
11	(3) <u>Department of Finance and Administration.</u>	
12	(a) OCO Membership Fee	4,000
13	(b) Maintenance Fee for FMIS	30,000
14	(c) FSM Group Life Insurance	43,000
15	(4) <u>Department of Resources and Development.</u>	
16	(a) Pacific Islands Development Program	15,000
17	(b) Forum Fisheries	36,471
18	(c) UN Development Program (UNDP)	30,000
19	(d) South Pacific Applied Geoscience	
20	Comm. (SOPAC)	15,000
21	(e) Pacific Asia Travel Association	5,000
22	(f) Micronesian Challenge Endowment	50,000
23	(g) Western Forestry Leadership	
24	Coalition	530
25	(h) Food Agriculture Organization	

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1	(FAO)	\$	4,800
2	(i) Matching for SPC Projects		60,000
3	(j) Micronesian Challenge		10,000
4	(k) Micronesian Cruise Assoc.		2,500
5	(l) South Pacific Tourism Org.		6,600
6	(m) International Animal Health Organization		16,800
7	(n) SPC Site Rental		10,000
8	(5) <u>Department of Health and Social Affairs.</u>		
9	(a) UN Fund for Population Activity		
10	(UNFPA)		3,000
11	(b) World Health Organization (WHO)		15,744
12	(c) National Board of Nursing.		20,000
13	(d) Pacific Islands Health Officers		
14	Association (PIHOA)		20,000
15	(e) FSM Amateur Sports Association		20,000
16	(f) Association of Territorial		
17	Health Organization		16,511
18	(g) FSM Red Cross		70,000
19	(h) UNICEF (vaccines)		20,000
20	(6) <u>Department of Education.</u>		
21	(a) Aid for Non-Public Schools		500,000
22	(b) Financial Assistance to FSM Students		
23	attending the College of the Marshall		
24	Islands (CMI)		25,000
25	(c) Financial Assistance to FSM Students		

1	attending Palau Community College (PCC) \$	50,000
2	(d) National scholarship	823,067
3	(e) National Close-Up	70,000
4	(f) National Merit Scholarship	200,000
5	(g) COM Board annual meeting	5,000
6	(7) <u>Department of Transportation, Communication</u>	
7	<u>and Infrastructure.</u>	
8	(a) Asia Pacific Telecommunity (APT) ...	11,000
9	(b) International Telecommunications	
10	Union (ITU)	20,847
11	(c) International Civil Aviation	
12	Organization	28,050
13	(d) FSM Capital Energy/Utilities	600,000
14	(e) Micro. Shipping Comm	-0-
15	(f) Sea and Air Transport Task Force ...	-0-
16	(g) Tuna Commission Membership	64,065
17	(8) <u>Office of Statistics, Budget, Overseas Development</u>	
18	<u>Assistance and Compact Management.</u>	
19	(a) Asia Pacific Investment	250
20	(9) <u>Office of Environment and Emergency</u>	
21	<u>Management (E.E.M).</u>	
22	(a) Secretariat of Pacific Regional	
23	Environment	10,184
24	(d) UN Environmental Protection Agency	
25	(UNEP)	760

1	(c) SPREP/Noumea Convention	\$ 1,764
2	(d) Waigani Convention (Annual	
3	Membership Fee)	1,190
4	(e) UN Convention to Combat	
5	Desertification	120
6	(f) UN Framework Convention (UNFCC)	250
7	(g) Earth Day Activities	15,000
8	(h) EPA Director's Meeting	20,000
9	(10) <u>Office of NACHP.</u>	
10	(a) UNESCO	4,000
11	(b) NCSHPO	2,760
12	(c) PARBICA	100
13	(d) PIALA	100
14	(e) WHC Membership Fee	54
15	(11) <u>Coconut Development Authority.</u>	
16	(a) Copra subsidy	100,000
17	(b) Asia Pacific Coconut Community (APCC)	14,500
18	(12) <u>Department of Justice.</u>	
19	(a) DOJ Fuel Subsidy	500,000
20	(b) Kosrae Joint Law Enforcement	25,000
21	(c) Pohnpei Joint Law Enforcement	50,000
22	(d) Chuuk Joint Law Enforcement	50,000
23	(d) Yap Joint Law Enforcement	25,000
24	(13) <u>Other Grants, Subsidies and Contributions.</u>	
25	(a) Kosrae Judiciary Subsidy	30,000

1	(b) Pohnpei Judiciary Subsidy	\$ 45,000
2	(c) Chuuk Judiciary Subsidy	45,000
3	(d) Yap Judiciary Subsidy	30,000
4	(e) COM Treaty Obligations	25,000
5	(f) Tuna Commission Membership	-0-
6	(g) Disaster Assistance Emergency Fund	
7	(DAEF) Matching	200,000
8	(h) MiCare	100,000
9	(i) MLFC Loan Payment	200,000
10	(j) Single Audit	329,250
11	(k) Compact Review Committee	-0-
12	(l) FSM Social Security	1,000,000
13	(n) Staff Housing	510,000
14	(m) Recruitment and repatriation	233,218
15	(n) MLSC	150,000
16	(o) Former Presidents' Allowance	50,000
17	(p) Postal Services Agreement PROVIDED THAT	
18	disbursement is conditional upon the existence of a	
19	legally binding agreement between the Federated	
20	States of Micronesia and the United States of America	
21	in conformity with the terms and obligations of the	
22	Federal Programs and Services Agreement and based on	
23	a mutually agreed upon rate	\$ 500,000
24	(q) Settlement of PFS case	154,000
25	Section 9. <u>Capital and Human Resources Development.</u>	

1 The sum of \$8,020,294, or so much thereof as may be necessary, is
2 hereby appropriated from the General Fund of the Federated States
3 of Micronesia for the fiscal year ending September 30, 2013, for
4 the following capital improvements, development programs, and
5 projects and human resources development. Of the total amount of
6 funds appropriated herein, \$3,100,000 shall be deemed to come
7 from funds available under the amended Compact from the education
8 sector subject to the receipt of Grant Awards under the amended
9 Compact; \$683,346 shall be deemed to come from funds available
10 under the Supplemental Education Grant; \$390,000 shall be deemed
11 to come from funds available under the amended Compact from the
12 health sector; and \$-0- shall be deemed to come from funds
13 available under the amended Compact from the capacity building
14 sector. The sum appropriated by this section shall be
15 apportioned as follows:

16 (1) College of Micronesia – FSM.
17 (a) College of Micronesia–FSM\$ 3,800,000
18 (b) FSM Fisheries and Maritime Institute 655,110
19 (c) COM–FSM Supplemental Education
20 Grant (SEG) 683,346
21 (2) Department of Finance and Administration.
22 (a) Tax Reform..... 117,000
23 (3) Department of Resources and Development.
24 (a) National Export Strategy..... -0-
25 (b) Promote FSM in appropriate market segments to

1	realize the sector's potential	\$ 50,000
2	(c) Improving food security.....	-0-
3	(d) Coconut Rehabilitation Program....	-0-
4	(e) FSM Chamber of Commerce.....	67,000
5	(f) Rainbownesia.....	25,000
6	(g) State Trade Fairs.....	100,000
7	(h) MTC.....	12,500
8	(i) SNLC.....	50,000
9	(j) NTFC.....	50,000
10	(k) Tourism Promotion Development.....	50,000
11	(l) EEM Hosting Climate Change Roundtable	50,000
12	(m) Food Security and Coconut Rehab...	100,000
13	(4) <u>Department of Transportation,</u>	
14	<u>Communication and Infrastructure.</u>	
15	(a) Dry docking of MS Caroline Voyage	-0-
16	(b) President's Office Improvement ...	-0-
17	(c) FSM Capital Rehabilitation	-0-
18	(c) FSM Capital Official Residence	
19	Fencing	-0-
20	(d) FSM Capital Road/Bridge	-0-
21	(e) Purchase of Aircraft	-0-
22	(f) Backup generator	-0-
23	(g) Airline task force	15,000
24	(h) National Govt. Comp. Network	-0-
25	(i) Contribution to Pohnpei Power	-0-

1	(j) FSM Multipurpose building	\$	-0-
2	(5) <u>Department of Justice.</u>		
3	(a) FSS Independence – Lep		85,000
4	(b) FSS Micro – Slipping		250,000
5	(c) Aerial Surveillance		25,000
6	(d) Immigration/Passport Facilitation		-0-
7	(6) <u>Infrastructure Maintenance Fund.</u>		
8	(a) Infrastructure Development		-0-
9	(b) Infrastructure Maintenance Fund (IMF)		
10		-0-
11	(7) <u>President's Office.</u>		
12	(a) FSM Trust Fund		1,000,000
13	(b) Personnel Staff Upgrading		50,000
14	(c) Personnel Capacity Building Roadmap		115,000
15	(8) <u>Public Defender (Pohnpei Office).</u>		
16	(a) Office Renovation and Retaining Wall		12,000
17	(9) <u>National Election.</u>		
18	(a) National election (Voter ID Card		
19	Project)		25,000
20	(10) <u>Department of Health & Social Affairs.</u>		
21	(a) Health Services (Pathologist) ...		100,000
22	(b) Environmental/Water/Food Lab Test		90,000
23	(c) Medical Specialized Team		200,000
24	(d) Sport Facility contribution		-0-
25	(11) <u>FSM Development Bank.</u>		

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1 (a) Private Sector Capital.....\$ -0-

2 ~~(12) National Judiciary.~~

3 (a) Chuuk SC Renovation..... 9,900

4 (b) Kosrae SC Renovation..... 65,964

5 (c) Pohnpei SC Renovation..... 55,000

6 (d) Yap SC Renovation..... 12,474

7 (13) FSM Postal Services.

8 ~~(a) Kosrae Post Office..... 100,000~~

9 (14) Pension Program.

10 (a) National Government Workers Pension Plan -0-

11 (15) Outer Island Airport.

12 (a) Outer Island Airport Upgrade..... -0-

13 Section 10. Employment Ceilings. The maximum number of
14 positions for each branch and agency of the National Government of
15 the Federated States of Micronesia for fiscal year 2013 shall be
16 as follows:

17 (1) Executive Branch..... 478

18 (2) Legislative Branch..... 60

19 (3) Judiciary Branch..... 31

20 (4) Public Auditor..... 25

21 (5) Agencies

22 (a) National Oceanic Resource
23 Management Authority..... 11

24 (b) Coconut Development Authority ... 4

25 (c) FSM Banking Board 4

1	(d) FSM Insurance Board	4
2	(e) National Postal Services	38
3	(6) Special Programs	
4	(a) National Election Office	11

5 Section 11. Reprogramming. Reprogramming of funds into or
6 from the personnel budget line item shall not be permitted. The
7 President, Speaker and Chief Justice may reprogram up to 10
8 percent to or from the funds appropriated in sections 2 (Operating
9 expenses of the Executive Branch), 3 (Operating expenses of the
10 Legislative Branch), and 4 (Operating expenses of the National
11 Judicial Branch) respectively. Reprogramming of funds within a
12 department, office or agency shall be effected by the head of such
13 department, office or agency by specifying in writing to the
14 Secretary of the Department of Finance and Administration of the
15 FSM National Government, the accounts for which funding is either
16 increased or decreased. Reprogramming other than as specified
17 herein is not permitted, and more specifically, reprogramming into
18 or out of any line item contained in Section 8 (Grants, Subsidies
19 and Contributions) or Section 9 (Investment: Capital and Human
20 Resources) is not permitted. The President shall report to
21 Congress within one month of the last day of each financial
22 quarter all amounts reprogrammed inter or intra a department,
23 office or agency.

24 Section 12. Allotment and management of funds and lapse
25 dates.

1 (1) General Provisions.

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

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

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

12 (a) Section 2 - the allottee of these funds shall
13 be the President of the Federated States of Micronesia;

14 (b) Section 3 - the allottee of these funds shall
15 be the Speaker of the Congress of the Federated States of
16 Micronesia;

17 (c) Section 4 - the allottee of these funds shall
18 be the Chief Justice of the Supreme Court of the Federated States
19 of Micronesia;

20 (d) Section 5 - the allottee of these funds shall
21 be the Public Auditor of the Federated States of Micronesia;

22 (e) Sections 6 through 9 - the allottee of these
23 funds shall be the President of the Federated States of
24 Micronesia; PROVIDED, HOWEVER, that for the following subsections
25 of sections 8 through 9 of this act:

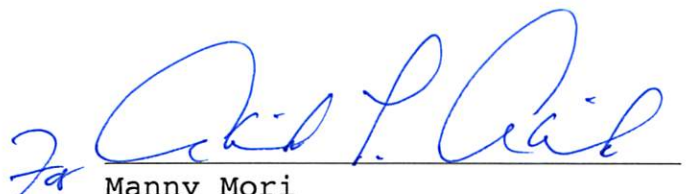
1 (i) Section 8, subsection (13)(a) through
2 (d) - the allottee of these funds shall be the Chief Justice of
3 the respective State Supreme Court,

4 (ii) Section 9(1)(a) - the allottee of these
5 funds shall be the President of the College of Micronesia-FSM.

6 (3) Lapse Date. The authority of the allottees to
7 obligate funds appropriated by this act shall lapse as of
8 September 30, 2013; PROVIDED, HOWEVER, that the funds appropriated
9 under section 9 of this act shall not lapse.

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

13
14
15
16 September 29, 2012
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20
21 
22 Manny Mori
23 President
24 Federated States of Micronesia
25