



*The President*  
Palikir, Pohnpei  
Federated States of Micronesia

May 28, 2014

The Honorable Dohsis Halbert  
Speaker  
18<sup>th</sup> FSM Congress  
Palikir, Pohnpei FM 96941

PRESIDENTIAL COMM. NO. 18-294  
FSM CONGRESS



Dear Speaker Halbert:

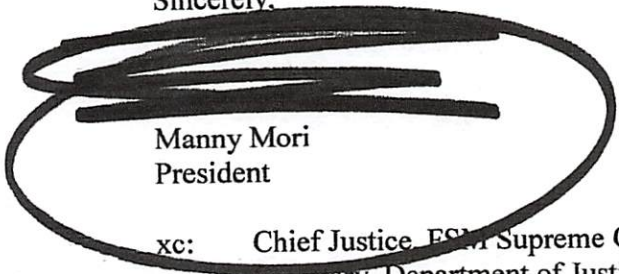
I am returning the following Congressional Act, which I signed to become Public Law No. 18-62. However, I have item vetoed an item as explained below:

Congressional Act No. 18-66, entitled: "AN ACT TO APPROPRIATE A SUPPLEMENTAL BUDGET OF \$1,294,000 FROM THE GENERAL FUND OF THE FEDERATED STATES OF MICRONESIA FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2014, BY AMENDING SECTIONS 1, 2, 3 AND 8 AND OF PUBLIC LAW NO. 18-15, AS AMENDED BY PUBLIC LAWS NOS. 18-26, 18-41 AND 18-54, TO CORRECT TECHNICAL ERRORS, AND FOR OTHER PURPOSES."

While I agree on the importance of seeking air service alternatives for our nation, I prefer that we wait for the Airline Task Force to conduct and submit a cost-benefit analysis to support the \$1,000,000 subsidy, as explained in my transmittal of Public law No. 18-54. Absent this analysis, I am again compelled to line item veto the \$1,000,000 appropriation for the airline subsidy. As a matter of fact, there is no committee report that explains the rationale for the airline subsidy and the strategy employed to recoup it. Also there is no justification given as to why two states could not be accommodated in the subsidized airline services. These are major considerations that require in-depth analysis before the National Government can knowingly commit its resources.

Also, there are typographical errors in the title of the Act and in section 8 thereof, which omits a reference to Public Law No. 18-54. Even though the errors do not constitute constitutional defects, Congress needs to rectify them as soon as possible.

Sincerely,



Manny Mori  
President

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



CONGRESS OF THE  
FEDERATED STATES OF MICRONESIA

P.O. Box PS 3

Palikir, Sokehs

Pohnpei State, FM 96941

Tel: (691) 320-2324 / 2325 / 2326 / 2327 / 2338 / 2707 / 5838

Fax: (691) 320-5122

[www.fsmcongress.fm](http://www.fsmcongress.fm)

PRESIDENTIAL COMM. NO. 18-296  
FSM CONGRESS

May 21, 2014

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. 18-66, "AN ACT TO APPROPRIATE A SUPPLEMENTAL BUDGET OF \$1,294,000 FROM THE GENERAL FUND OF THE FEDERATED STATES OF MICRONESIA FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2014, BY AMENDING SECTIONS 1, 2, 3 AND 8 AND OF PUBLIC LAW NO. 18-15, AS AMENDED BY PUBLIC LAWS NOS. 18-26, 18-41 AND 18-54, TO CORRECT TECHNICAL ERRORS, AND FOR OTHER PURPOSES", which was passed by the Eighteenth Congress of the Federated States of Micronesia, Fourth Regular Session, 2014, by a two-thirds vote of all the State delegations as required and as duly certified.

Sincerely yours,

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

Enclosures





PRESIDENTIAL COMM. NO. 18-296  
FSM CONGRESS

EIGHTEENTH CONGRESS OF THE  
FEDERATED STATES OF MICRONESIA  
FOURTH REGULAR SESSION  
MAY 12 - 31, 2014

PUBLIC LAW No. 18- 62

## An Act

TO APPROPRIATE A SUPPLEMENTAL BUDGET OF \$1,294,000 FROM THE GENERAL FUND OF THE FEDERATED STATES OF MICRONESIA FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2014, BY AMENDING SECTIONS 1, 2, 3 AND 8 AND OF PUBLIC LAW NO. 18-15, AS AMENDED BY PUBLIC LAWS NOS. 18-26, 18-41 AND 18-54, TO CORRECT TECHNICAL ERRORS, AND FOR OTHER PURPOSES.

INTRODUCED BY SENATOR: VICTOR GOULAND

DATE: MAY 16, 2014

REFERRED TO: COMMITTEE ON WAYS AND MEANS

WITHDRAWN – MAY 19, 2014

FIRST READING: MAY 19, 2014

SECOND READING: MAY 20, 2014

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

Liwiana Ramon Ioanis  
Chief Clerk, FSM Congress





CONGRESS OF THE FEDERATED STATES OF MICRONESIA

P.O. Box PS 3

Palikir, Sokehs

Pohnpei State, FM 96941

Tel: (691) 320-2324 / 2338

Fax: (691) 320-5122

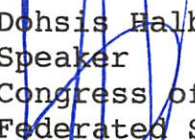
Office of the Speaker


PRESIDENTIAL COMM. NO. 18296  
FSM CONGRESS

ACT NO. 18-66

(CONGRESSIONAL BILL NO. 18-166, C.D.1)

We hereby certify that on May 20 the foregoing act passed  
Second and Final Reading of the Eighteenth Congress of the  
Federated States of Micronesia, Fourth Regular Session,  
2014, 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.

  
Dohsis Halbert  
Speaker  
Congress of the  
Federated States of Micronesia

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

EIGHTEENTH CONGRESS OF THE FEDERATED STATES OF MICRONESIA

FOURTH REGULAR SESSION, 2014

CONGRESSIONAL BILL 18-166, C.D.1

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**PUBLIC LAW No. 18-62**

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AN ACT

To appropriate a supplemental budget of \$1,294,000 from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 2014, by amending sections 1, 2, 3 and 8 and of Public Law No. 18-15, as amended by Public Laws Nos. 18-26, 18-41 and 18-54, to correct technical errors, and for other purposes.

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

2       Section 1. Section 1 of Public Law No. 18-15, as amended by  
3 Public Laws Nos. 18-26, 18-41 and 18-54, is hereby further  
4 amended to read as follows:

5           "Section 1. Title. The title of this act is as  
6 follows: To appropriate the sum of \$58,784,711 from the  
7 General Fund of the Federated States of Micronesia for  
8 the fiscal year ending September 30, 2014, for the  
9 purpose of funding the operations of all branches of the  
10 National Government of the Federated States of  
11 Micronesia, its agencies, various programs, grants,  
12 subsidies and contributions and Capital and Human  
13 Resources Development. Of the total amount of funds  
14 appropriated herein, \$2,437,568 shall be deemed to come  
15 from funds available under the Amended Compact from the  
16 education sector; \$-0- shall be deemed to come from  
17 funds available under the Amended Compact from the  
18 health sector; \$-0- shall be deemed to come from funds  
19 available under the Amended Compact from the

~~PUBLIC LAW No. 18-62~~

1           infrastructure sector; \$-0- shall be deemed to come  
 2           from funds available under the Amended Compact from the  
 3           enhanced reporting and accountability sector; and  
 4           \$312,492 shall be deemed to come from funds available  
 5           under the Supplemental Education Grant. The sum  
 6           appropriated by this section shall be apportioned as  
 7           follows:

8           (1) Office of the President.

9           The sum of \$736,064, or so much thereof as may be  
 10          necessary, for the operations of the Office of the  
 11          President during the fiscal year 2014. The sum  
 12          appropriated herein shall be apportioned as follows:

13	Personnel .....	\$	312,956
14	Travel .....		143,324
15	Contractual Services.....		186,000
16	OCE .....		85,284
17	Fixed Assets .....		8,500

18          (2) Department of Foreign Affairs.

19          The sum of \$4,233,234, or so much thereof as may be  
 20          necessary, for the operations of the Department of  
 21          Foreign Affairs during the fiscal year 2014. The sum  
 22          appropriated herein shall be apportioned as follows:

23	Personnel .....	\$	1,298,833
24	Travel .....		265,004
25	Contractual Services.....		2,239,565

PUBLIC LAW No. 18-62Infrastructure.

The sum of \$2,695,785, or so much thereof as may be necessary, for the operations of the Department of Transportation, Communications and Infrastructure during the fiscal year 2014. Of the total amount of funds appropriated herein, \$-0- shall be deemed to come from funds available under the Amended Compact from the infrastructure sector. The sum appropriated herein shall be apportioned as follows:

Personnel .....	\$	744,353
Travel .....		217,913
Contractual Services .....		1,534,874
OCE .....		73,645
Fixed Assets .....		125,000

(6) Department of Health and Social Affairs.

The sum of \$819,499, or so much thereof as may be necessary, for the operations of the Department of Health and Social Affairs during the fiscal year 2014. Of the total amount of funds appropriated herein, \$-0- shall be deemed to come from funds available under the Amended Compact from the health sector. The sum appropriated herein shall be apportioned as follows:

Personnel .....	\$	436,397
Travel .....		202,484
Contractual Services.....		72,950

**PUBLIC LAW No. 18-62**

1	OCE .....	\$	107,668
2	Fixed Assets .....		-0-

3           (7) Department of Education.

4           The sum of \$1,182,281, or so much thereof as may be  
 5           necessary, for the operations of the Department of  
 6           Education during the fiscal year 2014. Of the total  
 7           amount of funds appropriated herein, \$-0- shall be  
 8           deemed to come from funds available under the Amended  
 9           Compact from the education sector; and \$312,492 shall  
 10          be deemed to come from funds available under the  
 11          Supplemental Education Grant. The sum appropriated  
 12          herein shall be apportioned as follows:

13	Personnel .....	\$	405,775
14	Travel .....		147,238
15	Contractual Services .....		519,752
16	OCE .....		89,333
17	Fixed Assets .....		20,183

18           (8) Department of Justice.

19          The sum of \$2,954,008, or so much thereof as may be  
 20          necessary, for the operations of the Department of  
 21          Justice during the fiscal year 2014. The sum  
 22          appropriated herein shall be apportioned as follows:

23	Personnel .....	\$	2,185,029
24	Travel .....		163,306
25	Contractual Services .....		214,103



~~PUBLIC LAW No. 18-62~~

1	OCE .....	\$ 266,770
2	Fixed Assets .....	124,800

3           (9) Office of the Public Defender.

4           The sum of \$891,094, or so much thereof as may be  
 5           necessary, for the operations of the Office of the  
 6           Public Defender during the fiscal year 2014. The sum  
 7           appropriated herein shall be apportioned as follows:

8	Personnel .....	\$ 636,693
9	Travel .....	72,401
10	Contractual Services.....	55,350
11	OCE .....	75,100
12	Fixed Assets .....	51,550

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

15           The sum of \$1,110,634, or so much thereof as may be  
 16           necessary, for the operations of the Office of  
 17           Statistics, Budget, Official Development Assistance and  
 18           Compact Management during the fiscal year 2014. The  
 19           sum appropriated herein shall be apportioned as  
 20           follows:

21	Personnel .....	\$ 565,722
22	Travel .....	122,455
23	Contractual Services .....	265,117
24	OCE .....	127,340
25	Fixed Assets .....	30,000

PUBLIC LAW No. 18-62(11) Office of Environment and Emergency Management.

The sum of \$327,421 or so much thereof as may be necessary, for the operations of the Office of Environment and Emergency Management during the fiscal year 2014. The sum appropriated herein shall be apportioned as follows:

Personnel .....	\$	169,786
Travel .....		70,735
Contractual Services.....		65,000
OCE .....		21,900
Fixed Assets .....		-0-

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

The sum of \$123,679, 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 2014. The sum appropriated herein shall be apportioned as follows:

Personnel .....	\$	94,479
Travel .....		14,200
Contractual Services.....		5,000
OCE .....		10,000
Fixed Assets .....		-0-

Section 3 of Public Law No. 18-15, as amended by Public Laws Nos. 18-26, 18-41 and 18-54, is hereby further amended to read as

1 follows:

2           "Section 3. Operating Expenses of the Legislative  
3           Branch. The sum of \$4,264,228 or so much thereof as  
4           may be necessary, is hereby appropriated from the  
5           General Fund of the Federated States of Micronesia for  
6           the fiscal year ending September 30, 2014, for the  
7           operations of the Legislative Branch of the National  
8           Government during fiscal year 2014. The sum  
9           appropriated by this section shall be apportioned as  
10          follows:

11           (1) Speaker and Members.

12          The sum of \$2,062,771, or so much thereof as may be  
13          necessary, for the operations of the Office of the  
14          Speaker and Members of the Congress of the Federated  
15          States of Micronesia during fiscal year 2014. The sum  
16          appropriated herein shall be apportioned as follows:

17	Personnel .....	\$	423,290
18	Travel .....		734,881
19	Contractual Services .....		904,600
20	OCE .....		-0-
21	Fixed Assets .....		-0-

22           (2) Staff Offices.

23          The sum of \$1,511,457, or so much thereof as may be  
24          necessary, for the operations of the Congress staff  
25          offices during fiscal year 2014. The sum appropriated



**PUBLIC LAW No. 18-62**

1           herein shall be apportioned as follows:

2	Personnel .....	\$	817,059
3	Travel .....		155,252
4	Contractual Services.....		318,146
5	OCE PROVIDED THAT up to \$10,000 may be used to		
6	pay expenses incurred during previous fiscal		
7	years .....		162,000
8	Fixed Assets.....		59,000

9           (3) Congress Delegation Offices.

10          The sum of \$690,000, or so much thereof as may be  
 11          necessary, for the operations of the Congress delegation  
 12          offices during the fiscal year 2014. Of the amounts  
 13          appropriated for contractual services within each  
 14          Delegation Office, up to a maximum of \$25,000 per  
 15          Member, at the Delegation Offices' discretion, may be  
 16          used for Member Representation. The sum appropriated is  
 17          apportioned as follows:

18               (a) Kosrae Delegation Office

19	Travel .....	\$	10,000
20	Contractual Services.....		70,000
21	OCE.....		20,000
22	Fixed Assets.....		20,000
23	TOTAL.....		120,000

24               (b) Pohnpei Delegation Office

25	Travel .....		10,000
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**PUBLIC LAW No. 18-62**

1	Contractual Services.....\$	150,000
2	OCE.....	30,000
3	Fixed Assets.....	-0-
4	TOTAL.....	190,000
5	(c) Chuuk Delegation Office	
6	Travel .....	6,000
7	Contractual Services.....	210,000
8	OCE.....	20,000
9	Fixed Assets.....	24,000
10	TOTAL.....	260,000
11	(d) Yap Delegation Office	
12	Travel .....	10,000
13	Contractual Services.....	80,000
14	OCE.....	25,000
15	Fixed Assets.....	5,000
16	TOTAL.....	120,000"

17 Section 4. Section 8 of Public Law No. 18-15, as amended by  
 18 Public Laws Nos. 18-26 and 18-41, is hereby further amended to  
 19 read as follows:

20 "Section 8. Grants, Subsidies and Contributions. The  
 21 sum of \$12,773,198, or so much thereof as may be  
 22 necessary, is hereby appropriated from the General Fund  
 23 of the Federated States of Micronesia for the fiscal  
 24 year ending September 30, 2014 for the following  
 25 grants, subsidies and contributions during fiscal year

PUBLIC LAW No. 18-62

2014. Of the total amount of funds appropriated  
 herein, \$-0- shall be deemed to come from funds  
 available under the Amended Compact from the education  
 sector. 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 Is. Forum Secretariat... 46,000

(b) Secretariat of the Pacific

Community (SPC) ..... 56,000

(c) UN Membership Fee..... 70,000

(d) UN Economic and Social Commission

for Asia and the Pacific (ESCAP) ..... 5,000

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

(f) Cotonou Membership Fee..... 12,000

(g) 25<sup>th</sup> Anniversary FSM-Japan..... 25,000

(h) Compact of Free Association

Historical Project. .... 150,000

(i) SPC Office Rental..... 45,000

(j) IOM/MRC..... 190,000

(k) Micronesian Presidents

Summit - July 2014 ..... 10,000



PUBLIC LAW No. 18-62

1	(3) <u>Department of Finance and Administration.</u>	
2	(a) OCO Membership Fee.....\$	9,000
3	(b) Maintenance Fee for FMIS.....	55,000
4	(4) <u>Department of Resources and Development.</u>	
5	(a) Pacific Islands Development Program	15,000
6	(b) Forum Fisheries.....	38,918
7	(c) UNDP.....	30,000
8	(d) South Pacific Applied	
9	Geoscience Comm. (SOPAC) .....	15,000
10	(e) Pacific Asia Travel Association.	5,000
11	(f) Micronesian Challenge Endowment.	50,000
12	(g) Western Forestry Leadership Coalition	530
13	(h) Food Agriculture Organization (FAO)	4,800
14	(i) Matching for SPC Projects.....	60,000
15	(j) Micronesian Challenge.....	10,000
16	(k) Micronesian Cruise Assoc.....	2,500
17	(l) International Animal Health	
18	Organization (OIE) .....	23,000
19	(m) SPC Site Rental.....	10,000
20	(n) IRENA.....	250
21	(o) Micronesia Trade Cmte.....	30,000
22	(p) Convention on Biological	
23	Diversity (CBD) .....	1,000
24	(q) FSM performers to the	
25	Confolens festival .....	75,000

**PUBLIC LAW No. 18-62**

1	(r) Tourism /air services promotion\$	10,000
2	(5) <u>Department of Health and Social Affairs.</u>	
3	(a) UN Fund for Population Activity (UNFPA)	3,000
4	(b) World Health Organization (WHO).	4,000
5	(c) National Board of Nursing	
6	& Med Licensing .....	20,000
7	(d) Pacific Islands Health Officers	
8	Association (PIHOA) .....	10,000
9	(e) FSM Amateur Sports Association..	20,000
10	(f) Association of Territorial	
11	Health Organization .....	7,000
12	(g) FSM Red Cross .....	70,000
13	(h) UNICEF (vaccines) .....	20,000
14	(6) <u>Department of Education.</u>	
15	(a) Aid for Non-Public School.....	500,000
16	(b) Financial Assistance to FSM	
17	students attending CMI .....	25,000
18	(c) Financial Assistance to FSM	
19	students attending PCC .....	50,000
20	(d) National scholarship.....	1,000,000
21	(e) National Close-Up.....	70,000
22	(f) National Merit Scholarship.....	200,000
23	(g) COM Board annual meeting.....	5,000
24	(h) School Accreditation Program....	20,733
25	(i) Teacher Certification Project...	110,339

PUBLIC LAW No. 18-62

1                   (7) Department of Transportation, Communication  
 2                   and Infrastructure.

3                   (a) Asia Pacific Telecommunity (APT)\$           11,000

4                   (b) International Telecommunications  
 5                   Union (ITU) .....           20,847

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

8                   (d) FSM Capital Energy/Utilities....           600,000

9                   (e) Micronesian Shipping Comm.....           50,000

10                  (f) General Operation of CIA.....           145,000

11                  (g) Voyager Drydocking.....           1,263,000

~~12                  (h) Investment in air service route~~

~~13                  (Our Airline) .....           1,000,000~~

14                  (i) FSM airline task force.....           75,000

15                  (8) Department of Justice.

16                  (a) DOJ Fuel Subsidy.....           500,000

17                  (b) DOJ Trafficking in Persons (TIP)  
 18                  prosecution/training .....           75,000

19                  (c) Kosrae Joint Law Enforcement....           25,000

20                  (d) Pohnpei Joint Law Enforcement...           50,000

21                  (e) Chuuk Joint Law Enforcement.....           50,000

22                  (f) Yap Joint Law Enforcement.....           25,000

23                  (9) Office of S.B.O.C.

24                  (a) Asia Pacific Investment.....           250

25                  (10) Congress of the Federated States of Micronesia



PUBLIC LAW No. 18-62

1	(a) Update FSM Code.....	\$ 100,000
2	(b) IPU Conference .....	20,000
3	(c) Climate Change Conferences.....	20,000
4	(d) Confolens Festival.....	100,000
5	(11) <u>Office of E.E.M.</u>	
6	(a) SPREP.....	10,184
7	(b) UNEP.....	760
8	(c) SPREP/Noumea Convention.....	1,764
9	(d) Waigani Convention.....	1,190
10	(e) UN Convention to Combat	
11	Desertification .....	120
12	(f) UN Framework Convention (UNFCC) .	250
13	(g) Earth Day Activities.....	15,000
14	(h) 3 <sup>rd</sup> Annual EPA Directors' Meeting	20,000
15	(12) <u>Office of NACHP.</u>	
16	(a) UNESCO.....	4,000
17	(b) NCSHPO.....	2,760
18	(c) PARBICA.....	100
19	(d) PIALA.....	100
20	(e) WHC Membership Fee.....	54
21	(13) <u>Coconut Development Authority.</u>	
22	(a) Copra subsidy.....	100,000
23	(b) Asia Pacific Coconut Community (APCC)	14,500
24	(14) <u>Other Grants, Subsidies and Contributions.</u>	
25	(a) Kosrae Judiciary Subsidy.....	35,000

**PUBLIC LAW No. 18-62**

1	(b) Pohnpei Judiciary Subsidy.....\$	55,000
2	(c) Chuuk Judiciary Subsidy.....	55,000
3	(d) Yap Judiciary Subsidy.....	35,000
4	(e) COM Treaty Obligations.....	25,000
5	(f) Micronesian Legal	
6	Services Corporation.....	250,000
7	(g) Disaster Assistance Emergency	
8	Fund (DAEF) Matching.....	200,000
9	(h) MiCare.....	100,000
10	(i) MLFC Loan Payment.....	200,000
11	(j) FY12 Single Audit.....	329,250
12	(k) Former Presidents' allowance....	53,700
13	(l) FSM Social Security.....	1,000,000
14	(m) Staff Housing.....	510,000
15	(n) Recruitment and repatriation....	233,218
16	(o) Satisfy Judgment Lee v. FSM.....	55,000
17	(p) WCPFC Membership Fee (NORMA)....	71,000
18	(q) National Election – Unpaid services	6,213
19	(r) Disaster response to grounded	
20	ship on Pohnpei reef.....	2,000,000
21	(s) CSCIP prior obligation (rental/	
22	lease agreements and others).....	15,000
23	(t) Outstanding obligations of the DOJ	16,168"
24		
25		

PUBLIC LAW No. 18-62

1 Section 5. This act shall become law upon approval by the  
2 President of the Federated States of Micronesia or upon its  
3 becoming law without such approval.

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May 28, 2014

Manny Mori  
President  
Federated States of Micronesia