



# The President

Palikir, Pohnpei

Federated States of Micronesia

PRESIDENTIAL COMM. NO. 18-329  
FSM CONGRESS

July 25, 2014

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



Dear Speaker Halbert:

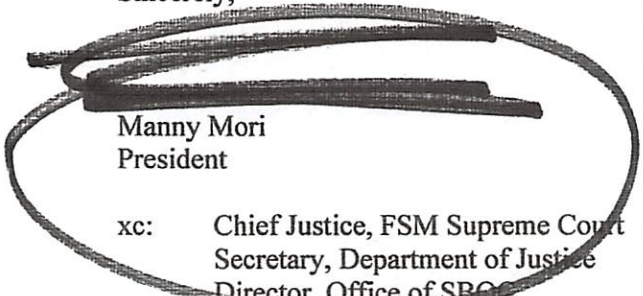
I transmit the following Congressional Act, which I have signed to become Public Law No. 18-75, but with serious reservations as explained in this letter:

Congressional Act No. 18-91, entitled: "AN ACT TO APPROPRIATE A SUPPLEMENTAL BUDGET OF \$587,101 FROM THE GENERAL FUND OF THE FEDERATED STATES OF MICRONESIA FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2014, BY AMENDING SECTION 1, 2 AND 3 OF PUBLIC LAW NO. 18-15, AS AMENDED BY PUBLIC LAWS NOS. 18-26, 18-14, 18-54 AND 18-62, AND FOR OTHER PURPOSES."

As with previous Congressional Acts, there are no committee reports to explain all the additional funds being allocated resulting in a lack of transparency and fiscal responsibility, especially in light of the severe decrease in funding facing the FSM in 2023. For instance, without such committee reports or public hearings, there is no justification for Congress increasing its own budget less than a month after the last Session (CA 18-62 passed on 6/12/2014 and CA 18-91 passed on 7/11/2014...just 29 days later). On that basis, I prefer to item veto the defective line items. But the supplemental budget does not accord the President any chance to veto the defective line items because doing so means that the fund balances remaining in the line items are cancelled, which could cause severe disruption to the operation of the national government.

Once again I urge Congress to hold public hearings on all appropriations and provide committee reports in order to provide transparency into our Government by providing justification for all expenditures as well as clear directions to the Executive Branch for implementation purposes. Without a public hearing or a committee report, appropriation ends up becoming questionable as illustrated by Congressional Act No. 18-91.

Sincerely,

  
Manny Mori  
President

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



CONGRESS OF THE FEDERATED STATES OF MICRONESIA

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Office of the Chief Clerk

PRESIDENTIAL COMM. NO. 18-329  
FSM CONGRESS

July 15, 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. 18-91, "AN ACT TO APPROPRIATE A SUPPLEMENTAL BUDGET OF \$587,101 FROM THE GENERAL FUND OF THE FEDERATED STATES OF MICRONESIA FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2014, BY AMENDING SECTIONS 1, 2 AND 3 OF PUBLIC LAW NO. 18-15, AS AMENDED BY PUBLIC LAWS NOS. 18-26, 18-41, 18-54 AND 18-62, AND FOR OTHER PURPOSES.", which was passed by the Eighteenth Congress of the Federated States of Micronesia, Fourth Special Session, 2014, 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



PRESIDENTIAL COMM. NO. 18-329  
FSM CONGRESS

EIGHTEENTH CONGRESS OF THE  
FEDERATED STATES OF MICRONESIA  
FOURTH SPECIAL SESSION  
JULY 7 - 12, 2014

PUBLIC LAW No. 18-75

## An Act

TO APPROPRIATE A SUPPLEMENTAL BUDGET OF \$587,101 FROM THE GENERAL FUND OF THE FEDERATED STATES OF MICRONESIA FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2014, BY AMENDING SECTIONS 1, 2 AND 3 OF PUBLIC LAW NO. 18-15, AS AMENDED BY PUBLIC LAWS NOS. 18-26, 18-41, 18-54 AND 18-62, AND FOR OTHER PURPOSES.

INTRODUCED BY SENATOR: FLORENCIO S. HARPER (BY REQUEST)

DATE: JULY 9, 2014

REFERRED TO: COMMITTEE ON WAYS AND MEANS

WITHDRAWN – JULY 10, 2014

FIRST READING: JULY 10, 2014

SECOND READING: JULY 11, 2014

A handwritten signature in blue ink, appearing to read "Liwiana Ramon Ioanis", is written over a horizontal line.

Liwiana Ramon Ioanis  
Chief Clerk, FSM Congress



CONGRESS OF THE FEDERATED STATES OF MICRONESIA

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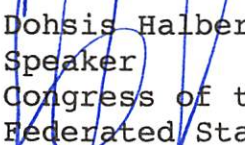
Office of the Speaker


PRESIDENTIAL COMM. NO. 18-329  
FSM CONGRESS

ACT NO. 18-91

(CONGRESSIONAL BILL NO. 18-199, C.D.1,  
C.D.2, C.D.3)

We hereby certify that on July 11 the foregoing act passed  
Second and Final Reading of the Eighteenth Congress of the  
Federated States of Micronesia, Fourth Special 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 SPECIAL SESSION, 2014

CONGRESSIONAL BILL NO. 18-199, C.D.2,  
C.D.3

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**PUBLIC LAW No. 18-75**

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AN ACT

To appropriate a supplemental budget of \$587,101 from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 2014, by amending sections 1, 2 and 3 of Public Law No. 18-15, as amended by Public Laws Nos. 18-26, 18-41, 18-54 and 18-62, 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. 18-15, as amended by  
2 Public Law No. 18-26, 18-41 18-54 and 18-62, is hereby further  
3 amended to read as follows:

4           "Section 1. Title. The title of this act is as  
5 follows: To appropriate the sum of \$59,335,812 from the  
6 General Fund of the Federated States of Micronesia for  
7 the fiscal year ending September 30, 2014, for the  
8 purpose of funding the operations of all branches of the  
9 National Government of the Federated States of  
10 Micronesia, its agencies, various programs, grants,  
11 subsidies and contributions and Capital and Human  
12 Resources Development. Of the total amount of funds  
13 appropriated herein, \$2,437,568 shall be deemed to come  
14 from funds available under the Amended Compact from the  
15 education sector; \$-0- shall be deemed to come from  
16 funds available under the Amended Compact from the  
17 health sector; \$-0- shall be deemed to come from funds  
18 available under the Amended Compact from the

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PUBLIC LAW No. 18-75

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1 infrastructure sector; \$315,000 shall be deemed to come  
2 from funds available under the Amended Compact from the  
3 public sector capacity building; \$-0- shall be deemed to  
4 come from funds available under the Amended Compact from  
5 the enhanced reporting and accountability sector; and  
6 \$1,112,158 shall be deemed to come from funds available  
7 under the Supplemental Education Grant. The sum  
8 appropriated herein shall be apportioned as follows:"

9 Section 2. Section 2 of Public Law No. 18-15, as amended by  
10 Public Law No. 18-41 and 18-62, is hereby amended to read as  
11 follows:

12 "Section 2. Operating expenses of the Executive  
13 Branch. The sum of \$18,122,428, or so much thereof as  
14 may be necessary, is hereby appropriated from the  
15 General Fund of the Federated States of Micronesia for  
16 the fiscal year ending September 30, 2014, for the  
17 purpose of funding the operations of the Executive  
18 Branch of the National Government during the fiscal  
19 year 2014. Of the total amount of funds appropriated  
20 herein, \$-0- shall be deemed to come from funds  
21 available under the Amended Compact from the education  
22 sector; \$-0- shall be deemed to come from funds  
23 available under the Amended Compact from the health  
24 sector; \$315,000 shall be deemed to come from funds  
25 available under the Amended Compact from the  
26 infrastructure sector; \$-0- shall be deemed to come

~~PUBLIC LAW NO 18-75~~

from funds available under the Amended Compact from the enhanced reporting and accountability sector; and \$312,492 shall be deemed to come from funds available under the Supplemental Education Grant. The sum appropriated by this section shall be apportioned as follows:

(1) Office of the President.

The sum of \$788,165, or so much thereof as may be necessary, for the operations of the Office of the President during the fiscal year 2014. The sum appropriated herein shall be apportioned as follows:

Personnel .....	\$ 312,956
Travel .....	167,324
Contractual Services.....	206,000
OCE .....	93,385
Fixed Assets .....	8,500

(2) Department of Foreign Affairs.

The sum of \$4,283,234, or so much thereof as may be necessary, for the operations of the Department of Foreign Affairs during the fiscal year 2014. The sum appropriated herein shall be apportioned as follows:

Personnel .....	\$ 1,298,833
Travel .....	315,004
Contractual Services.....	2,239,565
OCE .....	326,832
Fixed Assets .....	103,000

~~PUBLIC LAW NO. 18-75~~

(3) Department of Finance and Administration.

The sum of \$1,775,449, or so much thereof as may be necessary, for the operations of the Department of Finance and Administration during the fiscal year 2014.

The sum appropriated herein shall be apportioned as follows:

Personnel.....	\$	1,138,698
Travel .....		203,922
Contractual Services.....		175,329
OCE .....		231,500
Fixed Assets .....		26,000

(4) Department of Resources and Development.

The sum of \$856,179, or so much thereof as may be necessary, for the operations of the Department of Resources and Development during the fiscal year 2014.

The sum appropriated herein shall be apportioned as follows:

Personnel.....	\$	527,160
Travel .....		121,260
Contractual Services.....		54,307
OCE .....		120,352
Fixed Assets .....		33,100

(5) Department of Transportation, Communications and Infrastructure.

The sum of \$3,010,785, or so much thereof as may be necessary, for the operations of the Department of

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Transportation, Communications and Infrastructure during the fiscal year 2014. Of the total amount of funds appropriated herein, \$315,000 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 Services1,.....		1,534,874
OCE .....		73,645
Fixed Assets.....		125,000
PMU Operations.....		315,000

(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
OCE .....		107,668
Fixed Assets .....		-0-

(7) Department of Education.

~~PUBLIC LAW NO. 18-75~~

The sum of \$1,182,281, or so much thereof as may be necessary, for the operations of the Department of Education 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 education sector; and \$312,492 shall be deemed to come from funds available under the Supplemental Education Grant. The sum appropriated herein shall be apportioned as follows:

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

(8) Department of Justice.

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

Personnel .....	\$	2,185,029
Travel .....		163,306
Contractual Services.....		214,103
OCE .....		266,770
Fixed Assets .....		124,800

(9) Office of the Public Defender.

The sum of \$891,094, or so much thereof as may be

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necessary, for the operations of the Office of the  
Public Defender during the fiscal year 2014. The sum  
appropriated herein shall be apportioned as follows:

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

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

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

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

(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

PUBLIC LAW No. 18-75

1           apportioned as follows:

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

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

9           The sum of \$123,679, or so much thereof as may be  
10          necessary, for the operations of the Office of National  
11          Archives, Culture and Historic Preservation during the  
12          fiscal year 2014. The sum appropriated herein shall be  
13          apportioned as follows:

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

19          Section 3 of Public Law No. 18-15, as amended by Public Laws  
20          Nos. 18-26, 18-41, 18-54 and 18-62, is hereby further amended to  
21          read as follows:

22               "Section 3. Operating Expenses of the Legislative  
23               Branch. The sum of \$4,434,228 or so much thereof as  
24               may be necessary, is hereby appropriated from the  
25               General Fund of the Federated States of Micronesia for  
26               the fiscal year ending September 30, 2014, for the

~~PUBLIC LAW No. 18-75~~

operations of the Legislative Branch of the National Government during fiscal year 2014. The sum appropriated by this section shall be apportioned as follows:

(1) Speaker and Members.

The sum of \$2,202,771, or so much thereof as may be necessary, for the operations of the Office of the Speaker and Members of the Congress of the Federated States of Micronesia during fiscal year 2014. The sum appropriated herein shall be apportioned as follows:

Personnel .....	\$ 423,290
Travel .....	734,881
Contractual Services.....	1,044,600
OCE .....	-0-
Fixed Assets .....	-0-

(2) Staff Offices.

The sum of \$1,541,457, or so much thereof as may be necessary, for the operations of the Congress staff offices during fiscal year 2014. The sum appropriated herein shall be apportioned as follows:

Personnel .....	\$ 817,059
Travel .....	185,252
Contractual Services.....	318,146
OCE PROVIDED THAT up to \$10,000 may be used to pay expenses incurred during previous fiscal years .....	162,000

PUBLIC LAW No. 18-75

1 Fixed Assets.....\$ 59,000

2 (3) Congress Delegation Offices.

3 The sum of \$690,000, or so much thereof as may be  
 4 necessary, for the operations of the Congress delegation  
 5 offices during the fiscal year 2014. Of the amounts  
 6 appropriated for contractual services within each  
 7 Delegation Office, up to a maximum of \$25,000 per  
 8 Member, at the Delegation Offices' discretion, may be  
 9 used for Member Representation. The sum appropriated is  
 10 apportioned as follows:

11 (a) Kosrae Delegation Office

12	Travel .....	\$ 10,000
13	Contractual Services .....	70,000
14	OCE .....	20,000
15	Fixed Assets .....	20,000
16	TOTAL .....	120,000

17 (b) Pohnpei Delegation Office

18	Travel .....	10,000
19	Contractual Services .....	150,000
20	OCE .....	30,000
21	Fixed Assets .....	-0-
22	TOTAL .....	190,000

23 (c) Chuuk Delegation Office

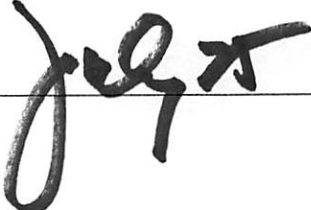
24	Travel .....	6,000
25	Contractual Services .....	210,000
26	OCE .....	20,000


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1	Fixed Assets .....	\$ 24,000
2	TOTAL .....	260,000
3	(d) Yap Delegation Office	
4	Travel .....	10,000
5	Contractual Services .....	80,000
6	OCE .....	25,000
7	Fixed Assets .....	5,000
8	TOTAL .....	120,000"

9 Section 4. This act shall become law upon approval by the  
 10 President of the Federated States of Micronesia or upon its  
 11 becoming law without such approval.

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 25

 , 2014

  
 Manny Mori  
 President  
 Federated States of Micronesia