

### The President Palikir, Pohnpei Federated States of Micronesia

PRESIDENTIAL COMM. NO. 18-60
FSM CONGRESS

August 15, 2013

The Honorable Dohsis Halbert Speaker Congress of the Federated States of Micronesia Palikir, Pohnpei, FM 96941



Dear Speaker Halbert:

I transmit the following congressional act, which I have signed with reservations to become Public Law No. 18-07:

Congressional Act No. 18-09, entitled: "AN ACT TO AMEND SECTIONS 2, 3, 4, 5 AND 6 OF PUBLIC LAW NO. 18-05 FOR THE PURPOSE OF CHANGING THE USE AND ALLOTTEE OF FUNDS PREVIOUSLY APPROPRIATED THEREIN, AND FOR OTHER PURPOSES."

I have gone on record supporting public projects. However, there are certain projects that do not even meet the minimum acceptable level because they are not sustainable, lack input from the state governments and intended recipients, and completely lack committee reports that would shed some light on the intent and purpose of the burden-sharing projects. We must ensure, therefore, that in the process of providing funds, public projects produce tangible economic and sustainable benefits across our nation.

Barely over a month after taking effect, Public Law No. 18-05 is being amended by this congressional act. The original appropriation is changed by reducing some of the public projects and social programs in order to fund new line items. The amendments consist of changing the use of public projects funds for the four states. Many of the changes to the so-called public projects and social programs have weak links to the Strategic Development Plan and thus contribute little to economic development.

The Honorable Dohsis Halbert August 15, 2013 Page 2 PRESIDENTIAL COMM. NO. 1860 FSM CONGRESS

Joint planning and consultations is an important part of the process. Consultations with the executive branch would help avoid repetitious changes of allottees and purposes that result in a lack of transparency and consistency.

I once again respectfully urge Congress to seriously consider the foregoing concerns.

With warm personal regards, I remain,

Sincerely,

Manny Mori President

Enclosures:

Xc: Chief Justice, FSM Supreme Court Secretary, Department of Justice

Director, SBOC

Legislative Counsel, CFSM

Library, CFSM

FSM PIO

Office of the President, P.O. Box PS 53, Palikir Pohnpei, FM 96941





EIGHTEENTH CONGRESS OF THE FEDERATED STATES OF MICRONESIA FIRST SPECIAL SESSION JULY 15 - 24, 2013

PUBLIC LAW No. 18-07"

# An Act

TO AMEND SECTIONS 2, 3, 4, 5 AND 6 OF PUBLIC LAW NO. 18-05 FOR THE PURPOSE OF CHANGING THE USE AND ALLOTTEE OF FUNDS PREVIOUSLY APPROPRIATED THEREIN, AND FOR OTHER PURPOSES.

INTRODUCED BY SENATOR: TONY H. OTTO

DATE: JULY 19, 2013

REFERRED TO: COMMITTEE ON WAYS AND MEANS

S.C.R. NO. 18-25 - JULY 23, 2013

FIRST READING: JULY 23, 2013

SECOND READING: JULY 24, 2013

Liwiana Ramon Ioanis Chief Clerk, FSM Congress

# FEDERAL STATES OF THE STATES O

#### 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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PRESIDENTIAL COMM. NO. 18-60

Office of the Chief Clerk

July <u>24</u>, 2013

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. 18-09, "AN ACT TO AMEND SECTIONS 2, 3, 4, 5 AND 6 OF PUBLIC LAW NO. 18-05 FOR THE PURPOSE OF CHANGING THE USE AND ALLOTTEE OF FUNDS PREVIOUSLY APPROPRIATED THEREIN, AND FOR OTHER PURPOSES.", which was passed by the Eighteenth Congress of the Federated States of Micronesia, First Special Session, 2013, 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

# Office of the Speaker

#### 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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PRESIDENTIAL COMM. NO. FSM CONGRESS

ACT NO. 18-09

(CONGRESSIONAL BILL NO. 18-29, C.D.1, C.D.2, C.D.3, C.D.4, C.D.5, C.D.6)

We hereby certify that on July 24 the foregoing act passed Second and Final Reading of the Eighteenth Congress of the Federated States of Micronesia, First Special Session, 2013, 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

FIRST SPECIAL SESSION, 2013

CONGRESSIONAL BILL NO. 18-29, C.D.1, C.D.2, C.D.3, C.D.4, C.D.5, C.D.6

# PUBLIC LAW No. 18-07

#### AN ACT

To amend sections 2, 3, 4, 5 and 6 of Public Law No. 18-05 for the purpose of changing the use and allottee of funds previously appropriated therein, and for other purposes.

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

| BE I | T ENACTED BY THE CONGRESS OF THE FEDERATED STATES OF MICRONESIA: |
|------|--|
| 1    | Section 1. The sum of \$2,500,000, or so much thereof as         |
| 2    | may be necessary, is hereby appropriated from the General Fund   |
| 3    | of the Federated States of Micronesia for the fiscal year        |
| 4    | ending September 30, 2013, for the purpose of funding public     |
| 5    | projects and social programs in each of the four states. The     |
| 6    | fund shall be apportioned as follows:                            |
| 7    | Section 2. Of the sum of \$2,500,000 appropriated by this        |
| 8    | act, \$400,000 is apportioned for Kosrae State for public        |
| 9    | projects and social programs.                                    |
| 10   | (1) State of Kosrae \$ 400,000                                   |
| 11   | (a) Municipal Governments' subsidy . 100,000                     |
| 12   | (b) Purchase of a vehicle (Kosrae                                |
| 13   | Custom and Revenue field office 20,000                           |
| 14   | (c) Maintenance of a dental chair                                |
| 15   | for Kosrae State Hospital 5,000                                  |
| 16   | (d) Department of Education                                      |
| 17   | (Classrooms' maintenance/matching for IMF funding 10,000         |
| 18   | (e) Kosrae High School Lunch                                     |
| 19   | Program 20,000   |
| 20   | (f) B.A. program 10,000  |

|    | PUBLIC LAW No. 1 8- 0                                | 7    |
|----|--|------|
|    | 1 ODEIO EWAA MM. T 9= 0                              |      |
| 1  | (g) We Care program \$ 20,0                          | 000  |
| 2  | (h) Kosrae Port Authority subsidy 20,0               | 000  |
| 3  | (i) Walden University (student                       |      |
| 4  | outstanding balance)                                 | 000  |
| 5  | (j) Micronesian Shipping Commission 10,0             | 000  |
| 6  | (k) Xavier High School (tuition &                    |      |
| 7  | fees for Kosraean students) 20,0                     | 000  |
| 8  | (1) Kosrae Medical Association 10,0                  | 000  |
| 9  | (m) Kosrae State Government subsidy 120,             | 000  |
| 10 | (n) Malem Association of farmers 6,0                 | 000  |
| 11 | (o) Kosrae High School lunch area                    |      |
| 12 | (renovation, maintenance and upgrade) 10,0           | 000  |
| 13 | (p) Hemodialysis treatment fees 10,0                 | 000  |
| 14 | (q) Transportation needs to Regional                 |      |
| 15 | Tennis Center in Lautoka, Fiji                       | 000" |
| 16 | Section 3. Of the sum of \$2,500,000 appropriated by |      |
| 17 | this act, \$400,000 is apportioned for Yap State for |      |
| 18 | public projects and social programs.                 |      |
| 19 | (1) State of Yap 400                                 | ,000 |
| 20 | (a) Yap Catholic High school                         |      |
| 21 | construction supplement grant                        | ,000 |
| 22 | (b) Outer Island FSDs deployment                     |      |
| 23 | supplemental 2                                       | ,257 |
| 24 | (c) Woleai atoll fishing nets 15                     | ,000 |
| 25 | (d) Island Mortuary Sevices debt payment 20          | ,000 |

| 1  | (e) Council of Tamol office (equipment,                    |         |
|----|--|---------|
| 2  | supplies and air conditioners)\$                           | 5,000   |
| 3  | (f) Outer Islands' women organizations:                    |         |
| 4  | (i) Precinct fifteenth                                     | 5,000   |
| 5  | (ii) Precinct fourteenth                                   | 5,000   |
| 6  | (iii) Precinct thirteenth                                  | 5,000   |
| 7  | (iv) Precinct twelve                                       | 5,000   |
| 8  | (g) Piig Elementary school fund raising                    | 1,000   |
| 9  | (h) Falalap, Woelai Elementary school                      | 1,743   |
| 10 | (i) Lamotrek Dispensary construction                       | 40,000  |
| 11 | (j) Yap Congessional Delegation citizen                    |         |
| 12 | outreach program   | 118,000 |
| 13 | (k) Supplemental funding for Repair and                    |         |
| 14 | upgrade of Tegailap and Seliap Islands community centers   | 27,000" |
| 15 | Section 4. Of the sum of \$2,500,000 appropriated by       | this    |
| 16 | act, \$700,000 is apportioned for Pohnpei State for public |         |
| 17 | projects and social programs.                              |         |
| 18 | State of Pohnpei\$   | 700,000 |
| 19 | (1) Pohnpei at Large                                       | 205,000 |
| 20 | (a) Pohnpei secondary road improvement                     | 55,000  |
| 21 | (b) Sport facilities improvement                           | 50,000  |
| 22 | (c) Pohnpei Sports (equipment,                             |         |
| 23 | supplies, umpire fees                                      | 25,000  |
| 24 | (d) Pohnpei Transportation Authority                       |         |
| 25 | (purchase of parts)  | 25,000  |

|    | PUBLIC LAW No. 1                                   | 8- 07   |
|----|--|---------|
| 1  | (e) FSM Constituency visit by Pohnpei              |         |
| 2  | Delegation \$                                      | 25,000  |
| 3  | (f) Hosting of traditional/civic                   |         |
| 4  | leaders' conference/travel, including from foreign |         |
| 5  | governments and states                             | 15,000  |
| 6  | (g) Consumers Association                          | 10,000  |
| 7  | (2) Election District No. 1                        | 165,000 |
| 8  | (a) Community water extension/                     |         |
| 9  | sanitary toilet facilities                         | 53,000  |
| 10 | (b) Contractual Service reimbursement              |         |
| 11 | to Pohnpei State Delegation                        | 3,000   |
| 12 | (c) Elementary Schools subsidy                     |         |
| 13 | in Election District No. 1, Pohnpei State          | 20,000  |
| 14 | (d) Dispensaries subsidy in                        |         |
| 15 | Election District No. 1, Pohnpei State             | 5,000   |
| 16 | (e) Graduate students' outstanding debts           | 7,000   |
| 17 | (f) Social Security Premium contribution           | 10,000  |
| 18 | (g) Kakao nursery                                  | 15,000  |
| 19 | (h) Small business/                                |         |
| 20 | entrepreneurship start up                          | 5,000   |
| 21 | (i) Medical referral                               | 10,000  |
| 22 | (j) Student financial assistance                   | 37,000  |
| 23 | (3) Election District No. 2                        | 165,000 |
| 24 | (a) Rohi School retaining wall                     | 35,000  |
| 25 | (b) Paies-Kitti water system                       | 10,000  |

|    | PUBLIC LAW No. 1 8- 0                                       | 7 |
|----|---|---|
| 1  | (c) Nansalohi-Madol water system \$ 10,000                  | ) |
| 2  | (d) Soamwoai-Kitti water system 10,000                      | ) |
| 3  | (e) Kinakapw road improvement 5,000                         | ) |
| 4  | (f) Rehntu (Nintok) road improvement 30,000                 | ) |
| 5  | (g) Pohnpaip (Nanmand) road improvement 5,000               | ) |
| 6  | (h) Moailap coastal access road improvement 5,000           | ) |
| 7  | (i) Pohnlangas Ice Plant road improvement 5,000             | ) |
| 8  | (j) Police vehicle purchase supplement 10,000               | ) |
| 9  | (k) Drilling Rig and Accessories 5,000                      | ) |
| 10 | (1) Students financial assistance 5,000                     | ) |
| 11 | (m) Purchase of PVC pipes and materials 5,000               | ) |
| 12 | (n) Election District No. 2                                 |   |
| 13 | administrative support services 20,000                      | ) |
| 14 | (o) Kitti Judiciary branch fencing . 5,000                  | ) |
| 15 | (4) Election District No. 3                                 | ) |
| 16 | (a) Care Micronesia Foundation 25,000                       | ) |
| 17 | (b) Election District No. 3                                 |   |
| 18 | administrative support services                             | ) |
| 19 | (c) Medical referral assistance 10,000                      | ) |
| 20 | (d) Youth activities and supplies 15,000                    | ) |
| 21 | (e) Road repair and beautification . 70,000                 | ) |
| 22 | (f) Extension of power lines to                             |   |
| 23 | rural areas/farm roads                                      | ) |
| 24 | Section 5. Of the sum of \$2,500,000 appropriated by this   |   |
| 25 | act, \$1,000,000, is apportioned for Chuuk State for public |   |

| 1  | projects and social programs.                        |           |
|----|--|-----------|
| 2  | State of Chuuk\$                                     | 1,000,000 |
| 3  | (1) Chuuk at Large                                   | 250,000   |
| 4  | (a) Community facilities/infrastructure              |           |
| 5  | and housing subsidy                                  | 40,000    |
| 6  | (b) Main water source lease                          |           |
| 7  | obligation (Nefo)                                    | 10,000    |
| 8  | (c) Contributions to State, Municipal                |           |
| 9  | and Community events/activities/programs             | 40,000    |
| 10 | (d) POL/Charters/Freight subsidy                     |           |
| 11 | and/or reimbursement                                 | 20,000    |
| 12 | (e) Leaders/Patients/Students                        |           |
| 13 | repatriation of remains transport and travel costs . | 27,000    |
| 14 | (f) Administrative support costs                     |           |
| 15 | for allottee/At Large                                | 10,000    |
| 16 | (g) Fishing project                                  |           |
| 17 | (equipment/gear/activities)                          | 26,000    |
| 18 | (h) Municipal office                                 |           |
| 19 | construction and related costs                       | 30,000    |
| 20 | (i) Land transportation                              | 10,000    |
| 21 | (j) Youth activities/Equipment/programs              | 20,000    |
| 22 | (k) Student financial assistance/school              |           |
| 23 | subsidy  | 17,000    |
| 24 | (2) Election District No. 1                          | 150,000   |
| 25 | (a) Housing Improvement and Renovation               | 55,000    |

| 1  | (b) Multipurpose community building                      |         |
|----|--|---------|
| 2  | and/or municipal office improvement and renovation . \$  | 50,000  |
| 3  | (c) Mortlock Island Development                          | ·       |
| 4  | Authority (MIDA)   | 45,000  |
| 5  | (3) Election District No. 2                              | 150,000 |
| 6  | (a) Patient/Students/Leadership                          | 200,000 |
| 7  | travel expenses  | 25,000  |
| 8  | (b) Food security and relief program                     | 15,000  |
| 9  | (c) Meeting Halls improvement                            | 13,000  |
|    | · · · · · · · · · · · · · · · · · · ·                    | 20.000  |
| 10 | and rehabilitation                                       | 20,000  |
| 11 | (d) Repatriation of human remains                        |         |
| 12 | and associated cost (transport, travel and funeral cost) | 10,000  |
| 13 | (e) Road improvement project                             | 20,000  |
| 14 | (f) Students financial assistance                        |         |
| 15 | and outstanding debt                                     | 20,000  |
| 16 | (g) Feasibility study (Aquaculture                       |         |
| 17 | and Farming projects)                                    | 12,500  |
| 18 | (h) Fishing project                                      | 7,500   |
| 19 | (i) Election District No. 2                              |         |
| 20 | administrative support services                          | 10,000  |
| 21 | (j) Land transportation needs                            | 10,000  |
| 22 | (4) Election District No. 3                              | 150,000 |
| 23 | (a) Fishing project subsidy                              | 30,000  |
| 24 | (b) Community housing/facilities                         |         |
| 25 | rehabilitation   | 40,000  |

| _  |   |         |
|----|---|---------|
| 1  | (c) Repatriation of human remains                           |         |
| 2  | and associated cost (transport, travel and funeral cost) \$ | 15,000  |
| 3  | (d) Southern Namoneas Development                           |         |
| 4  | Authority administrative cost                               | 10,000  |
| 5  | (e) Solar system project subsidy                            | 10,000  |
| 6  | (f) Sport facilities improvement                            |         |
| 7  | and sport equipment purchase                                | 10,000  |
| 8  | (g) Association/Organizations' subsidy                      | 5,000   |
| 9  | (h) Food security and relief programs                       | 5,000   |
| 10 | (i) Student and leaders travel/Medical                      |         |
| 11 | referral  | 10,000  |
| 12 | (j) Southern Namoneas Development                           |         |
| 13 | Authority office rental                                     | 5,000   |
| 14 | (k) Contribution to Municipal/                              |         |
| 15 | Community events/activities                                 | 10,000  |
| 16 | (5) Election District No. 4                                 | 150,000 |
| 17 | (a) Fishing project subsidy                                 | 30,000  |
| 18 | (b) Farming project subsidy                                 | 30,000  |
| 19 | (c) Low Income housing subsidy                              | 25,000  |
| 20 | (d) Faichuk Development Authority                           |         |
| 21 | administrative cost   | 20,000  |
| 22 | (e) Humanitarian assistance                                 | 20,000  |
| 23 | (f) Students' financial assistance.                         | 15,000  |
| 24 | (g) Fishing markets' subsidy                                | 10,000  |
| 25 | (6) Election District No. 5                                 | 150,000 |

| 1  | (a) Purchase of a passenger                                    |
|----|--|
| 2  | boat and related cost \$ 102,500                               |
| 3  | (b) Northwest Islands Development                              |
| 4  | Authority  |
| 5  | (c) Fishing project 12,000                                     |
| 6  | (d) Election District No. 5 office rental 3,000                |
| 7  | (e) Feasibility study  |
| 8  | (Aquaculture and Farming projects) 12,500                      |
| 9  | Section 6. Allotment and management of funds and lapse         |
| 10 | date. All funds appropriated by this act shall be allotted,    |
| 11 | managed, administered and accounted for in accordance with     |
| 12 | applicable laws, including, but not limited to, the Financial  |
| 13 | Management Act of 1979. The allottee shall be responsible for  |
| 14 | ensuring that these funds, or so much thereof as may be        |
| 15 | necessary, are used solely for the purpose specified in this   |
| 16 | act, and that no obligations are incurred in excess of the sum |
| 17 | appropriated. The allottee of the funds appropriated under     |
| 18 | section 3 of this act shall be the Governor of Yap State. The  |
| 19 | allottee of funds appropriated under sections 2 and 4 of this  |
| 20 | act shall be the President of the Federated States of          |
| 21 | Micronesia or his designee. The allottee of funds appropriated |
| 22 | under subsections 5(1) and 5(3) of this act shall be the       |
| 23 | Governor of Chuuk State or his designee. The allottee of funds |
| 24 | appropriated under subsection 5(2) of section 5 of this act    |
| 25 | shall be the Mortlock Islands Development Authority. The       |

| 1  | allottee of funds appropriated under subsection 5(4) of section |
|----|---|
| 2  | 5 of this act shall be the Southern Namoneas Development        |
| 3  | Authority. The allottee of funds appropriated under subsection  |
| 4  | 5(5) of section 5 of this act shall be the Faichuk Development  |
| 5  | Authority. The allottee of funds appropriated under subsection  |
| 6  | 5(6) of section 5 of this act shall be the Northwest Island     |
| 7  | Development Authority. The authority of the allottee to         |
| 8  | obligate funds appropriated by this act shall lapse on          |
| 9  | September 30, 2014.   |
| 10 | Section 7. This act shall become law upon approval by the       |
| 11 | President of the Federated States of Micronesia or upon its     |
| 12 | becoming law without such approval.                             |
| 13 |   |
| 14 |   |
| 15 | 1   |
| 16 | August 15, 2013   |
| 17 |   |
| 18 |   |
| 19 |   |
| 20 |   |
| 21 | Manny Mori President  |
| 22 | Federated States of Micronesia                                  |
| 23 |   |
| 24 |   |
| 25 |   |