
A BILL FOR AN ACT

To amend section 163 of title 52 of the Code of the Federated States of Micronesia, (Annotated), as amended, to set a minimum and raise the limit on the professional premium, to specify who determines the amount of professional premium, and for other purposes.

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

1 Section 1. Section 163 of title 52 of the Code of the
2 Federated States of Micronesia (Annotated), as amended, is
3 hereby amended to read as follows:

4 "Section 163. Premiums.

5 To recognize circumstances of employment which make it
6 appropriate that consideration be given to labor market
7 conditions outside the Federated States of Micronesia,
8 and to recognize and reward the attainment of certain
9 advanced professional status, the following premiums
10 are provided to public service employees:

11 (1) Market place premium. An employee who is
12 recruited in a location outside the Federated States of
13 Micronesia, who is a noncitizen of the Federated States
14 of Micronesia, and at the time of original hire, a
15 nonresident thereof, may be paid a premium based on
16 labor market conditions in the place of recruitment and
17 on the level of the base salary. A market-place premium
18 may be paid if prevailing rates of pay for equivalent

1 positions are substantially higher in the country of
2 recruitment than in the Federated States of Micronesia.
3 Upon request from the allottee of the funds from which
4 the employee's compensation is to be paid, the
5 Secretary of the Department of Finance and
6 Administration shall report to the allottee on the
7 difference, insofar as it can best be estimated,
8 between the prevailing rates in the Federated States of
9 Micronesia and in the country of recruitment. The
10 allottee may then determine what portion, if any, of
11 the difference will be paid as a market-place premium.
12 The amount of the premium determined by the allottee
13 shall not be greater than 90 percent of the value of
14 the employee's base salary.

15 (2) Foreign service premium. An employee who is a
16 citizen of the Federated States of Micronesia and who
17 is assigned to a permanent duty station outside the
18 Federated States of Micronesia may be paid a premium
19 based on the cost of living in the place of assignment.

20 (3) Professional premium. An employee who has
21 achieved advanced professional status in one of the
22 following manners and who is employed in a position
23 which requires or, directly utilizes such professional
24 status may receive, in addition to the base salary of
25 his position, a professional premium. The amount of

1 professional premium to be paid, if any, shall be
2 determined by the [~~allottee of the funds from which the~~
3 ~~employee's salary is to be paid~~] head of the branch to
4 whom the employee reports based upon the employee's
5 education, experience and expertise. The amount of the
6 premium determined by the [~~allottee~~] head of the branch
7 shall not be [~~greater~~] less than 90 percent or more
8 than 150 percent of the value of the employee's base
9 salary. To be eligible for such a professional
10 premium, the employee must meet one or more of the
11 following requirements:

12 (a) attainment of an earned degree in law from a
13 law school accredited by the competent authority in the
14 jurisdiction in which it operates, and admission either
15 to the FSM Supreme Court Bar or to practice law in
16 another jurisdiction;

17 (b) admission to the FSM Supreme Court Bar and
18 eight years of experience in the legal field;

19 (c) full membership of one or more of the
20 professional accountancy associations listed in the
21 Public Service Regulations, as amended from time to
22 time, or certification by the Public Auditor that the
23 employee's qualifications and experience are equivalent
24 to those which would be required to obtain full
25 membership of such an association;

