A BILL FOR AN ACT

To establish a National postal service for the Federated States of Micronesia, and for other purposes.

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

Section 1. Short title. This act is known and may be cited as the "National Postal Service Act."

Section 2. National Postal Service. There is hereby established, as an independent agency of the National Government of the Federated States of Micronesia, the National Postal Service of the Federated States of Micronesia.

Section 3. Postmaster General.

(1) There is hereby established the Office of the Postmaster General of the Federated States of Micronesia. The Postmaster General shall be appointed by the President of the Federated States of Micronesia, subject to the advice and consent of the Congress of the Federated States of Micronesia. An appointment shall be for the term of the appointing President, and the Postmaster General shall submit his resignation to the President for his acceptance no later than 90 days after a new President has taken office. The new President may renominate the same Postmaster General subject to the advice and consent of the Congress.

(2) Prior to the appointment and confirmation of the Postmaster General under subsection (1), the President shall have the authority to exercise the powers and duties vested in the Postmaster General by this act and may appoint an interim Postmaster General to be paid at the rate of $21,000 per annum.

Section 4. Duties and responsibilities. The Postmaster General shall have the following duties and responsibilities:

(1) To supervise the operations of the National Postal System:
(2) To adopt postal rates and regulations pursuant to
title 17 of the Code of the Federated States of Micronesia and in
accordance with section 8 of this act; and
(3) To hire staff and perform such other duties and functions
as may be necessary to carry out the provisions of this act.

Section 5. State post offices and postmasters. There shall be a
Post Office in each of the four States under the supervision of a State
postmaster who shall serve under the authority of the Postmaster
General and be responsible for the operations of his respective
State Post Office.

Section 6. Applicability of the National Public Service System Act.
The Postmaster General and the State postmasters shall be exempt from
the National Public Service System Act, but all other employees of the
National Postal System shall be covered by said act, except as may
otherwise be provided by law.

Section 7. Exchange of mail; Outgoing mail. The Postmaster
General shall see to it that mail shall be exchanged at one exchange
office mutually agreed to by the United States and the Federated States
of Micronesia designated in each of the four States, and that outgoing
mail from the Federated States of Micronesia shall be merged with
United States mail for conveyance to the United States or to other
countries. Such outgoing mail from the Federated States of Micronesia
shall be treated as though it were mail from the United States for
dispatch, documentation, statistical, accounting, and settlement
operations with other countries.
Section 8. Postal rates.

(1) Until the effective date of the Compact of Free Association, United States domestic postal rates shall apply to mail exchanged between addresses in the Federated States of Micronesia and addresses in Palau, the Marshall Islands, and the United States.

(2) After the effective date of the Compact any separate United States established rates for service from the United States to the Federated States of Micronesia shall establish the ceiling and the floor for postage rates for mail from the Federated States of Micronesia to the United States and to the Marshall Islands and Palau.

(3) International postal rates applicable in the United States shall apply to mail from the Federated States of Micronesia to other countries.

(4) The Postmaster General may determine postal rates for internal mail to local addresses within the Federated States of Micronesia.

Section 9. Issuance and sale of stamps.

(1) The Postmaster General shall be responsible for the issuance of postage stamps and other prescribed postal indicia which shall be used for prepayment of postage rates and other postal charges on all mail originating in the Federated States of Micronesia, except for mail sent through the Military Postal System provided for in article VII of the Status of Forces Agreement Concluded Pursuant to Section 323 of the Compact of Free Association.

(2) Revenues derived from the sale of stamps issued by the Postmaster General for postal services or for philatelic purposes shall
Section 10. Appropriation. The sum of $60,000, or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the purpose of providing initial funding for the National Postal System. The sum appropriated shall be allotted to the Postmaster General, who shall manage, administer, and account for such sum in accordance with applicable law, including, but not limited to, the Financial Management Act of 1979. The authority to obligate the funds appropriated by this act shall lapse as of September 30, 1984.

Section 11. Agreement with United States. In carrying out the provisions of this act, the Postmaster General shall do so in accordance with the Agreement Concerning Postal Services Between the United States Postal Service and the Government of the Federated States of Micronesia.

Section 12. Audit. The Office of the Public Auditor shall audit the National Postal Service annually.

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

Date: May 11, 1983

Introduced by:
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