A RESOLUTION

Requesting the President to undertake a thorough study of the existing structure of the National Government of the Federated States of Micronesia for the purpose of determining possible reductions in the operational costs of the National Government due to anticipated reductions in Compact revenues from the United States.

1. WHEREAS, the operating expenses of the National Government have grown consistently in recent fiscal years; and

2. WHEREAS, the combined budgets of the executive, legislative and judiciary branches of the National Government now exceed $12,000,000 each year; and

3. WHEREAS, fiscal year 1991 will be the fifth year under the Compact of Free Association with the United States and the last fiscal year before the first step-down of payments under the Compact; and

4. WHEREAS, the first stepdown is anticipated to result in a reduction in National Government Compact revenues of approximately 13 percent; and

5. WHEREAS, Local revenues are not growing at a sufficiently fast rate to provide for all of the financial needs of the Nation after the step-down, including both National Government operations and essential economic development activities; now, therefore,

6. BE IT RESOLVED by the Sixth Congress of the Federated States of Micronesia, Third Regular Session, 1990, that the Congress hereby requests the President of the Federated States of Micronesia to undertake a thorough study of the existing structure of the National Government of the Federated States of Micronesia for the purpose of determining possible reductions in the operational costs of the National Government due to anticipated reductions in Compact revenues from the United States; and
BE IT FURTHER RESOLVED that certified copies of this resolution be transmitted to the President of the Federated States of Micronesia and the Governors of the States of Yap, Chuuk, Pohnpei and Kosrae.

Date: 5/31/90

Introduced by: [Signature]

Fedley Killion