

A RESOLUTION

Encouraging the President to pursue one or more loans from the ADB for the purpose of supporting government restructuring, including a program for early retirement of government employees, and for other purposes.

1 BE IT RESOLVED by the Ninth Congress of the Federated
2 States Micronesia, Fourth Regular Session, 1996, that the
3 Congress supports the States in borrowing from the Asian
4 Development Bank ("ADB") through the National Government for
5 government restructuring, including the early retirement of
6 State government employees, in an amount of up to \$15,000,000,
7 to be divided between the State and National Governments as
8 follows:

- 9 (1) Chuuk.....\$ 5,000,000
- 10 (2) Kosrae..... 2,000,000
- 11 (3) Pohnpei..... 4,000,000
- 12 (4) Yap..... 3,000,000
- 13 (5) FSM (Private Sector
- 14 support for retirees)..... 1,000,000

15 BE IT FURTHER RESOLVED that the Congress supports the
16 National Government in borrowing approximately \$3,000,000 for
17 government restructuring, including early retirement of at
18 least 20% of all National Government employees and increase of
19 National tax revenues by at least 40% by the end of the two or
20 three year program, followed by borrowing of up to an
21 additional \$7,000,000 to further reduce employment to 50% of
22 present levels;

23 BE IT FURTHER RESOLVED that the Congress encourages the
24 President to negotiate with the ADB and States for financing as
25 described above and submit the resultant loan documents to the

1 Congress for approval; and

2 BE IT FURTHER RESOLVED that certified copies of this
3 resolution be transmitted to the President of the Federated
4 States of Micronesia.

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6 Date: 10/22/96

Introduced by: ✓
Joseph J. Urusemal
(by request)

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