

AN ACT

To amend Public Law No. 14-21, the FY 2006 budget, in order to provide funding for the full fiscal year ending September 30, 2006 by appropriating funds for the third and fourth quarters, and for other purposes.

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

1 Section 1. The title of Public Law No. 14-21 is hereby
2 amended to read as follows:

3 “To appropriate the sum of \$34,356,830 from the General
4 Fund of the Federated States of Micronesia for the
5 fiscal year ending September 30, 2006, for the purpose
6 of funding the operations of all branches of the
7 National Government of the Federated States of
8 Micronesia, its agencies, various programs, grants,
9 subsidies and contributions; to establish a capital and
10 human resource development budget, and for other
11 purposes.”

12 Section 2. Section 1 of Public Law No. 14-21 is hereby
13 amended to read as follows:

14 “Section 1. Appropriation. There is hereby
15 appropriated from the General Fund of the Federated
16 States of Micronesia the sum of \$34,356,830, or so much
17 thereof as may be necessary, for the purpose of funding
18 the operations of all branches of the National
19 Government of the Federated States of Micronesia, its

1 agencies, various programs, grants, subsidies and
2 contributions and capital and human resource development
3 programs of the National Government of the Federated
4 States of Micronesia for the fiscal year ending
5 September 30, 2006. A deadline of December 1, 2005 is
6 hereby set for all branches of the National Government
7 to satisfy the requirements of section 103 of the
8 Financial Management Act of 1979. The sum appropriated
9 herein shall be apportioned as follows:"

10 Section 3. Section 2 of Public Law No. 14-21 is hereby
11 amended to read as follows:

12 "Section 2. Operating expenses of the Executive Branch.
13 The sum of \$14,215,701, or so much thereof as may be
14 necessary, is hereby appropriated from the General Fund
15 of the Federated States of Micronesia for the fiscal
16 year ending September 30, 2006, for the purpose of
17 funding the operations of the Executive Branch of the
18 National Government during the fiscal year 2006. The
19 sum appropriated by this section shall be apportioned as
20 follows:

21 (1) Office of the President.

22 \$672,213, or so much thereof as may be necessary,
23 for the operations of the Office of the President during
24 the fiscal year 2006. The sum appropriated herein shall
25 be apportioned as follows:

1	Personnel	\$ 287,235
2	Travel	93,678
3	Contractual Services	\$ 190,000
4	OCE	86,300
5	Fixed Assets	15,000

(2) Department of Foreign Affairs.

\$3,200,651, or so much thereof as may be necessary, for the operations of the Department of Foreign Affairs during the fiscal year 2006. The sum appropriated herein shall be apportioned as follows:

11	Personnel	\$ 1,170,385
12	Travel	163,070
13	Contractual Services	1,607,406
14	OCE	259,790
15	Fixed Assets	-0-

(3) Department of Finance and Administration

\$2,445,638, or so much thereof as may be necessary, for the operations of the Department of Finance and Administration during the fiscal year 2006. The sum appropriated herein shall be apportioned as follows:

22	Personnel	\$ 1,286,249
23	Travel	204,316
24	Contractual Services	622,027
25	OCE	287,679

1 Fixed Assets 45,367

2 (4) Department of Economic Affairs.

3 \$1,063,113, or so much thereof as may be
4 necessary, for the operations of the Department of
5 Economic Affairs during the fiscal year 2006. The sum
6 appropriated herein shall be apportioned as follows:

7 Personnel\$ 830,535
8 Travel 95,670
9 Contractual Services 5,309
10 OCE 121,599
11 Fixed Assets 10,000

12 (5) Department of Transportation, Communication and
13 Infrastructure.

14 \$1,366,142, or so much thereof as may be
15 necessary, for the operations of the Department of
16 Transportation, Communications and Infrastructure during
17 the fiscal year 2006. The sum appropriated herein shall
18 be apportioned as follows:

19 Personnel\$ 579,126
20 Travel 101,968
21 Contractual Services 611,048
22 OCE 70,000
23 Fixed Assets 4,000

24 (6) Department of Health, Education and Social
25 Affairs.

1 \$1,905,991, or so much thereof as may be
2 necessary, for the operations of the Department of
3 Health, Education and Social Affairs during the fiscal
4 year 2006. Of the total funds appropriated herein,
5 \$359,081 shall be deemed to come from funds available
6 under the amended Compact for the education sector,
7 \$764,383 from the health sector, \$380,474 from the
8 supplemental education grant (SEG) and \$67,901 from the
9 Compact I Section 221(b) Special Block Grant. The sum
10 appropriated herein shall be apportioned as follows:

11	Personnel	\$	935,875
12	Travel		439,667
13	Contractual Services		269,288
14	OCE		254,461
15	Fixed Assets		6,700

16 (7) Department of Justice.

17 \$2,664,435, or so much thereof as may be
18 necessary, for the operations of the Department of
19 Justice during the fiscal year 2006. The sum
20 appropriated herein shall be apportioned as follows:

21	Personnel	\$	1,837,660
22	Travel		117,190
23	Contractual Services		239,900
24	OCE		448,185
25	Fixed Assets		21,500

1 (8) Office of the Public Defender.

2 \$667,177, or so much thereof as may be necessary,
3 for the operations of the Office of the Public Defender
4 during the fiscal year 2006. The sum appropriated
5 herein shall be apportioned as follows:

6 Personnel	\$	456,941
7 Travel		130,000
8 Contractual Services		39,486
9 OCE		37,700
10 Fixed Assets		3,050

11 (9) Office of Compact Management.

12 \$230,341, or so much thereof as may be necessary,
13 for the operations of the Office of Compact Management
14 during the fiscal year 2006. The sum appropriated
15 herein shall be apportioned as follows:

16 Personnel	\$	85,841
17 Travel		60,000
18 Contractual Services		57,200
19 OCE		23,100
20 Fixed Assets		4,200"

21 Section 4. Section 3 of Public Law No. 14-21 is hereby
22 amended to read as follows:

23 "Section 3. Operating expenses of the Legislative
24 Branch.

25 The sum of \$3,183,226, or so much thereof as may be

1 necessary, is hereby appropriated from the General Fund
2 of the Federated States of Micronesia for the fiscal
3 year ending September 30, 2006, for the operations of
4 the Legislative Branch of the National Government during
5 the fiscal year 2006. The sum appropriated by this
6 section shall be apportioned as follows:

7 (1) Speaker and Members.

8 \$1,522,771, or so much thereof as may be
9 necessary, for the operations of the Office of the
10 Speaker and Members of the Congress of the Federated
11 States of Micronesia during the fiscal year 2006. The
12 sum appropriated herein shall be apportioned as follows:

13 Personnel	\$ 415,290
14 Travel	479,881
15 Contractual Services PROVIDED THAT, the full 16 amount appropriated for each member's 17 representation fund shall be made available 18 for use by that member, pending availability 19 of funds, upon this act becoming law	577,600
20 OCE	50,000
21 Fixed Assets	-0-

22 (2) Staff Offices.

23 \$1,170,455, or so much thereof as may be
24 necessary, for the operations of the Congress staff
25 offices during the fiscal year 2006. The sum

1 appropriated herein shall be apportioned as follows:

2 Personnel	\$	704,024
3 Travel		119,371
4 Contractual Services		178,500
5 OCE	\$	137,340
6 Fixed Assets		31,220

7 (3) Congress Delegation Offices.

8 \$490,000, or so much thereof as may be necessary,
9 for the operations of the Congress delegation offices
10 during the fiscal year 2006. The sum appropriated
11 herein shall be apportioned as follows:

12 (a) Kosrae Delegation		
13 Office	\$	70,000
14 (b) Pohnpei Delegation		
15 Office		140,000
16 (c) Chuuk Delegation		
17 Office		210,000
18 (d) Yap Delegation		
19 Office		70,000"

20 Section 5. Section 4 of Public Law No. 14-21 is hereby
21 amended to read as follows:

22 "Section 4. Operating Expenses of the National
23 Judiciary Branch. The sum of \$1,191,409, or so much
24 thereof as may be necessary, is hereby appropriated from
25 the General Fund of the Federated States of Micronesia

1 for the fiscal year ending September 30, 2006, for the
2 operations of the Judiciary Branch of the National
3 Government during the fiscal year 2006. The sum
4 appropriated by this section shall be apportioned as
5 follows:

6	Personnel	\$ 705,901
7	Travel	165,371
8	Contractual Services	126,900
9	OCE	165,748
10	Fixed Assets	27,489"

11 Section 6. Section 5 of Public Law No. 14-21 is hereby
12 amended to read as follows:

13 "Section 5. Operating Expenses of the Public Auditor's
14 Office. The sum of \$667,895, or so much thereof as may
15 be necessary, is hereby appropriated from the General
16 Fund of the Federated States of Micronesia for the
17 fiscal year ending September 30, 2006, for the
18 operations of the National Office of the Public Auditor
19 for the fiscal year 2006. The sum appropriated by this
20 section shall be apportioned as follows:

21	Personnel	\$ 354,176
22	Travel	126,659
23	Contractual Services	123,260
24	OCE	51,800
25	Fixed Assets	12,000"

1 Section 7. Section 6 of Public Law No. 14-21 is hereby
2 amended to read as follows:

3 "Section 6. Operating Expenses of agencies of the
4 National Government. The sum of \$1,475,130, or so much
5 thereof as may be necessary, is hereby appropriated from
6 the General Fund of the Federated States of Micronesia
7 for the fiscal year ending September 30, 2006, for the
8 operations of the following boards, commissions and
9 agencies during the fiscal year 2006. The sum
10 appropriated by this section shall be apportioned as
11 follows:

12 (1) National Oceanic Resource Management Authority
13 (NORMA).

14 \$379,806, or so much thereof as may be necessary,
15 for the operations of NORMA during the fiscal year 2006.
16 The sum appropriated herein shall be apportioned as
17 follows:

18 Personnel	\$ 192,506
19 Travel	50,000
20 Contractual Services	98,900
21 OCE	38,400
22 Fixed Assets	-0-

23 (2) Board of Regents (COM-FSM).

24 \$76,014, or so much thereof as may be necessary,
25 for the operations of the Board of Regents, COM-FSM

1 during the fiscal year 2006. The sum appropriated
 2 herein shall be apportioned as follows:

3	Personnel	\$	-0-
4	Travel		40,914
5	Contractual Services		10,800
6	OCE	\$	24,300
7	Fixed Assets		-0-

8 (3) Coconut Development Authority (CDA).

9 \$125,600, or so much thereof as may be necessary,
 10 for the operations of the Coconut Development Authority
 11 during the fiscal year 2006. The sum appropriated
 12 herein shall be apportioned as follows:

13	Personnel	\$	68,471
14	Travel		10,469
15	Contractual Services		22,160
16	OCE		9,500
17	Fixed Assets		15,000

18 (4) FSM Banking Board.

19 \$132,357, or so much thereof as may be necessary,
 20 for the operations of the FSM Banking Board during the
 21 fiscal year 2006. The sum appropriated herein shall be
 22 apportioned as follows:

23	Personnel	\$	71,555
24	Travel		20,106
25	Contractual Services		15,700

1	OCE	21,996
2	Fixed Assets	3,000
3	(5) <u>FSM Postal Services.</u>	
4	\$626,353, or so much thereof as may be necessary,	
5	for the operations of the National Postal Services	
6	during the fiscal year 2006. The sum appropriated	
7	herein shall be apportioned as follows:	
8	Personnel	\$ 402,488
9	Travel	40,692
10	Contractual Services	98,273
11	OCE	84,900
12	Fixed Assets	-0-

13	(6) <u>National Fisheries Corporation (NFC).</u>	
14	\$135,000, or so much thereof as may be necessary,	
15	for the operations of the National Fisheries Corporation	
16	during the fiscal year 2006. The sum appropriated	
17	herein shall be apportioned as follows:	
18	NFC operations subsidy	\$ 45,000
19	Air freight subsidy	90,000"

20 Section 8. Section 8 of Public Law No. 4-21 is hereby
 21 amended to read as follows:

22 "Section 8. Grants, Subsidies and Contributions. The
 23 sum of 2,805,766, or so much thereof as may be
 24 necessary, is hereby appropriated from the General Fund
 25 of the Federated States of Micronesia for the fiscal

1 year ending September 30, 2006, for the following
2 grants, subsidies and contributions during fiscal year
3 2006. The sum appropriated by this section shall be
4 apportioned as follows:

5 (1) Department of Foreign Affairs

6	(a) Pacific Islands Forum Secretariat	\$	40,
7	(b) Secretariat for the Pacific		
8	Community (SPC)	17,000	
9	(c) UN and Specialized Agencies (UN)	60,000	
10	(c) UN Economic and Social Commission		
11	for Asia and the Pacific (ESCAP)	5,000	
12	(e) East-West Center	5,000	

13 (2) Department of Finance and Administration

14	(a) National Authorizing Committee		
15	(ACP/EU)	8,000	

16 (3) Department of Economic Affairs

17	(a) Pacific Islands Development Program	15,000	
18	(b) Forum Fisheries Agency (FFA)	21,000	
19	(c) UN Development Program	3,000	
20	(d) Coordinating Committee for		
21	Offshore Minerals Prospecting (SOPAC)	40,000	
22	(e) Pacific Asia Travel Association .	5,000	
23	(f) UN Environmental Program (UNEP) .	600	
24	(g) Western Forestry		
25	Leadership Coalition	500	

1	(h) Seaframe Program	7,500
2	(i) Food Agriculture Organization (FAO)	4,700
3	(j) FA/TCP Matching	28,800
4	(k) National Environmental	
5	Speech Contest	15,000
6	(l) 3 rd Convention (Fisheries Consortium) \$	13,558
7	(4) <u>Department of Health, Education and Social Affairs</u>	
8	(a) UN Fund for Population	
9	Activity (UNFPA)	3,000
10	(b) South Pacific Regional	
11	Environmental Program (SPREP)	7,375
12	(c) Aid to Non-Public Schools	300,000
13	(d) Financial Assistance to FSM	
14	Students attending College of Marshalls and	
15	Palau Community College	50,000
16	(e) World Health Organization (WHO) .	41,385
17	(f) National Board of Nursing	20,000
18	(g) Pacific Islands Health	
19	Officers Association	20,000
20	(h) National Close-Up Local Program .	64,000
21	(i) FSM Amateur Sports Association ..	20,000
22	(j) College of Micronesia Board (COM)	5,000
23	(k) Association of Territorial	
24	Health Organization	2,000
25	(l) FSM Red Cross	64,000

1	(m) UNESCO	4,000
2	(5) <u>Department of Transportation,</u>	
3	<u>Communications and Infrastructure</u>	
4	(a) Asia-Pacific Telecommunity (APT)	7,640
5	(b) International Telecommunications	
6	Union (ITU)	\$ 55,000
7	(c) International Civil Aviation	
8	Organization	28,050
9	(d) Micronesian Shipping Commission .	10,000
10	(e) FSM Capital Energy/Utilities	300,000
11	(6) <u>Coconut Development Authority (CDA)</u>	
12	(a) Copra Subsidy	75,000
13	(b) Asia Pacific Coconut Community (APCC)	15,500
14	(7) <u>Other Grants, Subsidies and Contributions</u>	
15	(a) Kosrae Judiciary subsidy	37,500
16	(b) Pohnpei Judiciary subsidy	40,500
17	(c) Chuuk Judiciary subsidy	40,500
18	(d) Yap Judiciary subsidy, PROVIDED that, of	
19	this amount, \$15,000 shall be used to provide financial	
20	assistance to Yap students enrolled in law school unless	
21	there are no Yap students so enrolled during the fiscal	
22	year	35,000
23	(e) COM Treaty Obligations	25,000
24	(f) Micronesian Legal Services	
25	Corporation	150,000

1	(g) States Joint Law Enforcement	150,000
2	(h) School Textbook Purchase, PROVIDED THAT funds	
3	appropriated herein shall be deemed to come from funds	
4	available under the amended Compact for Supplemental	
5	Education Grant (SEG)	619,658
6	(i) Tuna Commission Membership \$	16,000
7	(j) Disaster Assistance Emergency	
8	Fund (DAEF) Matching	200,000
9	(k) State Court Congestion Relief	60,000
10	(l) Pohnpei, Election District No. 1	
11	Dolakapw road paving	50,000

12 Section 9. Section 9 of Public Law No. 14-21, as amended by
13 Public Law No. 14-42, is hereby further amended to read as
14 follows:

15 "Section 9. Capital and Human Resource Development.
16 The sum of \$10,408,482, or so much thereof as may be
17 necessary, is hereby appropriated from the General Fund
18 of the Federated States of Micronesia for the fiscal
19 year ending September 30, 2006, for the following
20 capital improvements, development programs and projects
21 and human resource development. The sum appropriated by
22 this section shall be apportioned as follows:

23 (1) College of Micronesia-FSM.
24 \$6,909,240, or so much thereof as may be
25 necessary, for the operations, programs and projects of

1 the College during fiscal year 2006. The sum
2 appropriated herein shall be apportioned as follows:

3 (a) COM-FSM operations, PROVIDED THAT all funds
4 appropriated herein shall be deemed to come from funds
5 available under the amended Compact for the
6 education sector\$ 3,800,000

7 (b) Students scholarship, PROVIDED THAT \$300,000
8 appropriated herein shall be deemed to come from funds
9 available under the amended Compact for Supplemental
10 Education Grant (SEG) and \$267,046 appropriated herein
11 shall be deemed to come from funds available under the
12 amended Compact for the FY05 carryover Supplemental
13 Education Grant (SEG)\$ 567,046

14 (c) Fisheries and Maritime Institute 600,000

15 (d) SEOG and Work Study Programs,
16 PROVIDED THAT all funds appropriated herein
17 shall be deemed to come from funds available
18 under the amended Compact for Supplemental
19 Education Grant (SEG)\$ 270,268

20 (e) COM-FSM State Campus Facility Improvement,
21 PROVIDED THAT the sum appropriated herein shall be
22 deemed to come from funds available under the amended
23 Compact for Infrastructure Development sector \$ 1,5

24 (f) Capacity building and professional
25 development for pre-service teachers in the FSM,

1 PROVIDED THAT all funds appropriated herein shall be
2 deemed to come from funds available under the amended
3 Compact for the FY05 carryover Supplemental Education
4 Grant (SEG)171,926

5 (2) Department of Foreign Affairs

6 (a) FSM Washington Embassy Renovation \$ -0-

7 (3) Department of Finance and Administration

8 (a) National Staff Upgrading\$ 50,000

9 (4) Department of Economic Affairs

10 (a) FSM Visitor Bureau 100,000

11 (5) Department of Transportation, Communication and
12 Infrastructure

13 (a) TA Airport Pavement, PROVIDED THAT all funds
14 appropriated herein shall be deemed to come from funds
15 available under the amended Compact for Infrastructure
16 Development sector and PROVIDED THAT no funds shall be
17 allotted until such time as the Department of Justice
18 completes an investigation into the findings of the
19 Office of the National Public Auditor in its report
20 entitled 'Ta Outer Island Airport Audit Fiscal Years
21 1990-2004 Audit No. 2005-01' and reports to the Speaker
22 of Congress on the outcome of that investigation,
23 and PROVIDED THAT the appropriation shall
24 not lapse\$ 505,787

25 (6) Department of Justice

1	(a) FSM Patrol Boat Slipping	200,000
2	(7) <u>Office of the Public Defender</u>	
3	(a) Kosrae PD Office renovation	20,000
4	(b) Pohnpei PD Office retaining wall	4,000
5	(8) <u>FSM Postal Services</u>	
6	(a) Yap Post Office renovation	50,000
7	(b) Chuuk Post Office renovation	50,000
8	(9) <u>Infrastructure Maintenance Fund (IMF)</u>	
9	(a) IMF, PROVIDED THAT \$105,568 of the funds	
10	appropriated herein shall be deemed to come from funds	
11	available under the amended Compact for Infrastructure	
12	Maintenance Fund sector grant\$	211,136
13	(10) <u>Department of Health, Education and Social Affairs</u>	
14	(a) Monitoring, coordination, teaching assistance	
15	and research, PROVIDED THAT all of the funds	
16	appropriated herein shall come from funds available	
17	under the amended Compact for FY05 carryover of the	
18	Supplemental Education Grant (SEG)	377
19	(11) <u>President's Office</u>	
20	(a) FEMA matching funds and public assistance	
21	specialist	213
22	(b) Payment to the Asian Development Bank for the	
23	Fisheries Development Project Loan authorized by Public	
24	Law No. 7-101	90,000
25	(c) FSM Trust Fund, PROVIDED THAT the amount	

1 appropriated is not greater than 50% of the amount of
 2 local revenues to be carried over to FY07 before
 3 deducting the amount of this appropriation, in that case
 4 the amount shall be equal to 50% of the amount of local
 5 revenues to be carried over to FY07 not including the
 6 amount of this appropriation\$ 250,000

7 (d) Preparation and submission of the
 8 Annual Report and Single Audit as required by the
 9 amended Compact, including contracting the
 10 services of a CPA from a reputable
 11 accounting firm\$ 150,000

12 (12) Capacity Building

13 The total sum of the following appropriation
 14 shall be deemed to come from funds available
 15 under the Amended Compact for Capacity
 16 Building Sector Carryover Grants from Fiscal
 17 Year 2004.

- 18 (a) Valuation of Fixed Assets 75,000
- 19 (b) Accounting Advisor (Component Units) 80,000
- 20 (c) Accounting/Procurement Advisor .. 80,000
- 21 (d) Budget Preparation and Execution
- 22 Advisor 80,000
- 23 (e) Sector Performance Reporting 100,000
- 24 (f) Accounting/Procurement Advisor (Yap) 80,000
- 25 (g) Monitoring Economic Progress 200,000

1	(h) Chuuk Control Commission	112,000
2	(i) Document Imaging/Workflow	
3	Control Software	80,000
4	(j) Internal Controls Evaluation	75,000
5	(k) Accounting Advisor (Finance and Tax)	80,000
6	(l) Specialized Training Programs ...	185,934"

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8 Section 10. This act shall become law upon approval by the
9 President of the Federated States of Micronesia or upon its
10 becoming law without such approval.

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13
14 February 8, 2006

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19 /s/ Joseph J. Urusemal
20 Joseph J. Urusemal
21 President
22 Federated States of Micronesia
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