

AN ACT

To amend Public Law No. 14-80, by amending the title and sections 1, 2, 5, 8 and 9 thereof, in order to provide additional funding for the fiscal year ending September 30, 2007, 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. 14-80 is hereby  
2 amended to read as follows:

3                    "To appropriate the sum of \$23,498,521.62 from the  
4 General Fund of the Federated States of Micronesia for  
5 the fiscal year ending September 30, 2007 for the  
6 purpose 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 and to establish a capital  
10 and human resource development budget for the first two  
11 quarters of the fiscal year 2007, and for other  
12 purposes."

13           Section 2. Section 1 of Public Law No. 14-80 is hereby  
14 amended to read as follows:

15                    "Section 1. An annual budget in the amount of  
16 \$32,730,005 for the fiscal year ending September 30,  
17 2007 is hereby approved. There is hereby appropriated  
18 from the General Fund of the Federated States of  
19 Micronesia for the fiscal year ending September 30, 2007

1           the sum of \$23,498,521.62 for the purpose of funding the  
 2           operations of all branches of the National Government of  
 3           the Federated States of Micronesia, its agencies,  
 4           various programs, grants, subsidies and contributions;  
 5           and capital and human resource development for the first  
 6           two quarters of the fiscal year ending September 30,  
 7           2007. The sum appropriated herein shall be apportioned  
 8           as follows:"

9           Section 3. Section 2 of Public Law No. 14-80 is hereby  
 10          amended to read as follows:

11           "Section 2. Operating expenses of the Executive Branch.  
 12           The sum of \$7,870,167 or so much thereof as may be  
 13           necessary, is hereby appropriated from the General Fund  
 14           of the Federated States of Micronesia for the fiscal  
 15           year ending September 30, 2007, for the purpose of  
 16           funding the operations of the Executive Branch of the  
 17           National Government for the first two quarters of the  
 18           fiscal year 2007. The sum appropriated by this section  
 19           shall be apportioned as follows:

20           (1) Office of the President.  
 21           \$300,259, or so much thereof as may be necessary, for  
 22           the operations of the Office of the President for the  
 23           first two quarters of the fiscal year 2007. The sum  
 24           appropriated herein shall be apportioned as follows:  
 25           Personnel .....\$           123,671

1	Travel .....	54,088
2	Contractual Services .....	75,000
3	OCE .....	35,000
4	Fixed Assets .....	12,500

(2) Department of Foreign Affairs.

\$1,478,254, or so much thereof as may be necessary, for the operations of the Department of Foreign Affairs for the first two quarters of the fiscal year 2007. The sum appropriated herein shall be apportioned as follows:

12	Personnel .....	\$ 586,105
13	Travel .....	70,030
14	Contractual Services .....	687,454
15	OCE .....	133,925
16	Fixed Assets .....	740

(3) Department of Finance and Administration.

\$1,260,114, or so much thereof as may be necessary, for the operations of the Department of Finance and Administration for the first two quarters of the fiscal year 2007. The sum appropriated herein shall be apportioned as follows:

24	Personnel.....	\$ 646,353
25	Travel .....	\$ 101,200

1	Contractual Services .....	326,044
2	OCE .....	165,917
3	Fixed Assets .....	20,600

4           (4) Department of Economic Affairs.  
 5           \$587,386, or so much thereof as may be  
 6           necessary, for the operations of the  
 7           Department of Economic Affairs for the first  
 8           two quarters of the fiscal year 2007. The sum  
 9           appropriated herein shall be apportioned as  
 10          follows:

11	Personnel .....	\$ 416,663
12	Travel .....	34,585
13	Contractual Services .....	56,138
14	OCE .....	69,000
15	Fixed Assets .....	11,000

16           (5) Department of Transportation,  
 17           Communication and Infrastructure.  
 18           \$742,995, or so much thereof as may be  
 19           necessary, for the operations of the  
 20           Department of Transportation, Communications  
 21           and Infrastructure for the first two quarters  
 22           of the fiscal year 2007. The sum appropriated  
 23           herein shall be apportioned as follows:

24	Personnel .....	\$ 289,971
25	Travel .....	\$ 51,500

1	Contractual Services .....	362,524
2	OCE .....	35,000
3	Fixed Assets .....	4,000
4	(6) <u>Department of Health, Education</u>	
5	<u>and Social Affairs.</u>	
6	\$1,355,344, or so much thereof as may be	
7	necessary, for the operations of the	
8	Department of Health, Education and Social	
9	Affairs for the first two quarters of the	
10	fiscal year 2007. Of the total funds	
11	appropriated herein, \$179,540 shall be deemed	
12	to come from funds available under the amended	
13	Compact for the education sector, \$383,582	
14	from the health sector, and \$643,843 from the	
15	supplemental education grant (SEG) for fiscal	
16	year 2006, provided that, these funds shall	
17	not be allotted or obligated until such time	
18	as formal approval has been obtained in	
19	accordance with the Amended Compact of Free	
20	Association. The sum appropriated herein	
21	shall be apportioned as follows:	
22	Personnel .....\$	401,740
23	Travel .....	129,606
24	Contractual Services .....	93,194
25	OCE .....\$	728,454

1	Fixed Assets .....	2,350
2	(7) <u>Department of Justice.</u>	
3	\$1,266,795, or so much thereof as may be	
4	necessary, for the operations of the	
5	Department of Justice for the first two	
6	quarters of the fiscal year 2007. The sum	
7	appropriated herein shall be apportioned as	
8	follows:	
9	Personnel .....	\$ 922,065
10	Travel .....	52,000
11	Contractual Services .....	60,050
12	OCE .....	232,680
13	Fixed Assets .....	-0-
14	(8) <u>Office of the Public Defender.</u>	
15	\$317,996, or so much thereof as may be	
16	necessary, for the operations of the Office of	
17	the Public Defender for the first two quarters	
18	of the fiscal year 2007. The sum appropriated	
19	herein shall be apportioned as follows:	
20	Personnel .....	\$ 229,122
21	Travel .....	34,752
22	Contractual Services .....	26,022
23	OCE .....	23,675
24	Fixed Assets .....	4,425
25	(9) <u>Office of Compact Management.</u>	

1           \$561,024, or so much thereof as may be  
2           necessary, for the operations of the Office of  
3           Compact Management for the first two quarters  
4           of the fiscal year 2007. Of the total funds  
5           appropriated herein, \$300,000 shall be deemed  
6           to come from funds available under the amended  
7           Compact carryover from fiscal year 2005 and  
8           shall be used for foreign consultant fees,  
9           provided that, these funds shall not be  
10          allotted or obligated until such time as  
11          formal approval has been obtained in  
12          accordance with the amended Compact. The sum  
13          appropriated herein shall be apportioned as  
14          follows:

15	Personnel .....	\$	48,624
16	Travel .....		35,000
17	Contractual Services .....		451,400
18	OCE .....		17,000
19	Fixed Assets .....		9,000"

20          Section 4. Section 5 of Public Law No. 14-80 is hereby  
21          amended to read as follows:

22                 "Section 5. Operating Expenses of the Public  
23                 Auditor's Office. The sum of \$662,876 or so  
24                 much thereof as may be necessary, is hereby  
25                 appropriated from the General Fund of the

1 Federated States of Micronesia for the fiscal  
2 year ending September 30, 2007, for the  
3 operations of the National Office of the  
4 Public Auditor for the first two quarters of  
5 the fiscal year 2007. Of the total funds  
6 appropriated herein, \$261,284 shall be deemed  
7 to come from funds available under the  
8 amended Compact for Public Sector Capacity  
9 Building and shall be used to establish a  
10 sub-office in Chuuk State, provided that,  
11 these funds shall not be allotted or  
12 obligated until such time as formal approval  
13 has been obtained in accordance with the  
14 amended Compact. The sum appropriated by  
15 this section shall be apportioned as follows:

16	Personnel .....	\$	192,642
17	Travel .....		80,000
18	Contractual Services .....		100,950
19	OCE .....		26,000
20	Fixed Assets .....		2,000
21	Establishment of Chuuk Sub-office .....		261,284"

22 Section 5. Section 8 of Public Law No. 14-80 is hereby  
23 amended to read as follows:

24 "Section 8. Grants, Subsidies and Contributions. The  
25 sum of \$3,125,252.62 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, 2007, for the following  
 4           grants, subsidies and contributions during fiscal year  
 5           2007. The sum appropriated by this section shall be  
 6           apportioned as follows:

7           (1) Department of Foreign Affairs.

8	(a) Pacific Islands Forum Secretariat \$	46,000
9	(b) Secretariat for the Pacific	
10	Community (SPC) .....	56,000
11	(c) UN and Specialized Agencies (UN)	60,000
12	(d) UN Economic and Social Commission	
13	for Asia and the Pacific (ESCAP) .....	5,000
14	(e) East-West Center .....	5,000
15	(f) United Nations Development	
16	Program (UNDP) .....	23,500
17	(g) Activities in preparation for the	
18	establishment of an FSM embassy in Beijing .	75,000

19          (2) Department of Finance and Administration.

20	(a) National Authorizing Committee	
21	(ACP/EU) .....	-0-
22	(b) OCO Membership Fee .....	2,000
23	(c) Maintenance fee for Financial Management	
24	Information System .....	60,000

25          (3) Department of Economic Affairs.

1	(a) Pacific Islands Development Program	\$ 15,000
2	(b) Forum Fisheries Agency (FFA) . . . .	21,000
3	(c) UN Development Program . . . . .	3,000
4	(d) Coordinating Committee for Offshore	
5	Minerals Prospecting (SOPAC) . . . . .	40,000
6	(e) Pacific Asia Travel Association .	5,000
7	(f) UN Environmental Program (UNEP) .	600
8	(g) Western Forestry Leadership	
9	Coalition . . . . .	-0-
10	(h) Seaframe Program . . . . .	-0-
11	(i) Food Agriculture Organization (FAO)	4,700
12	(j) UN Framework Convention . . . . .	250
13	(k) National Association of State	
14	Foresters . . . . .	-0-
15	(l) National Environmental	
16	Speech Contest . . . . .	-0-
17	(m) FA/TCP Matching . . . . .	34,500
18	(n) Matching for SPC Projects . . . . .	60,000
19	(o) Tourism activities, provided	
20	that, no funds shall be allotted until such	
21	time as the Tourism Unit has submitted a plan	
22	for the use of the funds to the Standing	
23	Committee on Resources and Development and	
24	received written approval of the plan from	
25	the Chairman of the Committee . . . . .	\$ 50,000

1	(4) <u>Department of Health, Education and</u>	
2	<u>Social Affairs.</u>	
3	(a) UN Fund for Population	
4	Activity (UNFPA) .....	3,000
5	(b) South Pacific Regional	
6	Environmental Program (SPREP) .....	7,375
7	(c) Aid to Non-Public Schools .....	300,000
8	(d) Financial Assistance to FSM	
9	Students attending College of Marshalls	
10	and Palau Community College .....	50,000
11	(e) World Health Organization (WHO) .	41,385
12	(f) National Board of Nursing .....	10,000
13	(g) Pacific Islands Health	
14	Officers Association .....	20,000
15	(h) National Close-Up Local Program .	64,000
16	(i) FSM Amateur Sports Association ..	20,000
17	(j) College of Micronesia Board (COM)	5,000
18	(k) Association of Territorial	
19	Health Organization .....	2,000
20	(l) FSM Red Cross .....	70,000
21	(m) UNESCO .....	4,000
22	(n) Independent professional	
23	evaluations, including but not limited to	
24	the evaluation of the national student	
25	testing systems and a personnel audit of	

1           the Chuuk State school system, provided  
 2           that all funds appropriated herein shall be  
 3           deemed to come from funds available under  
 4           the amended Compact for the Education  
 5           Sector, and provided that, these funds  
 6           shall not be  
 7           allotted or obligated until such time as  
 8           formal approval has been obtained in  
 9           accordance with the amended Compact .....\$           200,000

10                   (o) Fuel, utilities, communication,  
 11           equipment and contractual services for the  
 12           Division of Education, provided that all  
 13           funds appropriated herein shall be deemed  
 14           to come from funds available under the  
 15           amended Compact for the Education Sector,  
 16           and provided that, these funds shall not be  
 17           allotted or obligated until such time as  
 18           formal approval has been obtained in  
 19           accordance with the amended Compact .....           45,068

20                   (p) \$57,000 for Division of Health  
 21           projects and programs, provided that, all  
 22           funds appropriated herein shall be deemed  
 23           to come from funds available under the  
 24           amended Compact for the Health Sector, and  
 25           provided that, these funds shall not be

1           allotted or obligated until such time as  
2           formal approval has been obtained in  
3           accordance with the amended Compact. The  
4           sum appropriated herein shall be  
5           apportioned as follows:

6	(i) Projected shortfalls in	
7	communications .....	\$ 2,000
8	(ii) Drugs and medical supplies	
9	for Mental Health & Substance Abuse Program	10,000
10	(iii) Contracting off-island	
11	visiting medical specialists .....	28,000
12	(iv) TB & STD clinic supplies	
13	for the State governments .....	3,000
14	(v) Travel for off-island	
15	visiting medical specialists .....	14,000
16	(q) National Scholarship Fund,	
17	provided that, all funds appropriated	
18	herein shall be deemed to come from funds	
19	available from the Supplemental Education	
20	Grant (SEG) for fiscal year 2006, and	
21	provided that, these funds shall not be	
22	allotted or obligated until such time as	
23	formal approval has been obtained in	
24	accordance with the amended Compact .....	141,777
25	(5) <u>Department of Transportation,</u>	

1	<u>Communications and Infrastructure.</u>	
2	(a) Asia-Pacific Telecommunity (APT) \$	7,640
3	(b) International Telecommunications	
4	Union (ITU) .....	55,000
5	(c) International Civil Aviation	
6	Organization .....	28,050
7	(d) Micronesian Shipping Commission .	10,000
8	(e) FSM Capital Energy/Utilities ....	300,000
9	(f) Marine and aviation	
10	skills updating .....	50,000
11	(6) <u>Coconut Development Authority (CDA).</u>	
12	(a) Copra Subsidy .....	50,000
13	(b) Asia Pacific Coconut	
14	Community (APCC) .....	-0-
15	(c) Pilot Plant Project .....	49,300
16	(7) <u>Other Grants, Subsidies and Contributions.</u>	
17	(a) Kosrae Judiciary	
18	subsidy .....	30,000
19	(b) Pohnpei Judiciary	
20	subsidy .....	45,000
21	(c) Chuuk Judiciary subsidy .....	45,000
22	(d) Yap Judiciary subsidy .....	20,000
23	(e) COM Treaty Obligations .....	25,000
24	(f) Micronesian Legal Services	
25	Corporation .....	\$ 150,000

1	(g) States Joint Law Enforcement,	
2	provided that \$25,000 shall go to Kosrae	
3	State, \$50,000 shall go to Pohnpei State,	
4	\$50,000 shall go to Chuuk State and \$25,000	
5	shall go to Yap State .....	150,000
6	(h) Tuna Commission Membership .....	16,000
7	(i) Disaster Assistance Emergency	
8	Fund (DAEF) Matching .....	200,000
9	(k) Maritime Boundary Delimitation ..	43,500
10	(l) Yap Judiciary subsidy to be used	
11	solely to fund scholarships for citizens of	
12	Yap who are studying law .....	10,000
13	(m) Passport Revolving Fund .....	233,607.62"

14 Section 6. Section 9 of Public Law No. 14-80 is hereby  
15 amended to read as follows:

16 "Section 9. Capital and Human Resource Development.  
17 The sum of \$8,555,333, or so much thereof as may be  
18 necessary, is hereby appropriated from the General Fund  
19 of the Federated States of Micronesia for the fiscal  
20 year ending September 30, 2007, for the following  
21 capital improvements, development programs and projects  
22 and human resource development. The sum appropriated by  
23 this section shall be apportioned as follows:

24 (1) College of Micronesia-FSM.  
25 \$6,272,833, or so much thereof as may be necessary, for

1           the operations, programs and projects of the College  
 2           during fiscal year 2007. The sum appropriated herein  
 3           shall be apportioned as follows:

4                       (a) COM-FSM operations, PROVIDED THAT  
 5           all funds appropriated herein shall be deemed  
 6           to come from funds available under the amended  
 7           Compact for the Education Sector, provided  
 8           further that, \$52,833 of these funds shall be  
 9           used only for fuel, utilities, communication,  
 10          equipment and contractual services, and  
 11          provided that, these funds shall not be  
 12          allotted or obligated until such time as  
 13          formal approval has been obtained in  
 14          accordance with the Amended Compact of Free  
 15          Association .....\$           3,852,833

16                      (b) Fisheries and Maritime Institute           650,000

17                      (c) COM-FSM State Campus Facility  
 18          Improvement, PROVIDED THAT the sum  
 19          appropriated herein shall be deemed to come  
 20          from funds available under the  
 21          amended Compact for Infrastructure Development  
 22          Sector and, provided that, these funds shall  
 23          not be allotted or obligated until such time  
 24          as formal approval has been obtained in  
 25          accordance with the Amended Compact of Free



1 Association .....\$ 1,500,000

2 (d) COM-FSM Work Study Program,

3 PROVIDED THAT the General Fund shall be

4 reimbursed for any expenditures under this

5 subsection from Supplemental Education Grant

6 (SEG) funds for fiscal year 2007 once these

7 funds are made available ..... 270,000

8 (2) Department of Finance and Administration.

9 (a) National Staff Upgrading ..... 50,000

10 (b) Asian Development Bank MLFC Loan -0-

11 (3) Department of Economic Affairs.

12 (a) FSM Tourism Promotion ..... 100,000

13 (b) FSM Trade and FDI Project ..... 75,000

14 (c) Diversification of Energy ..... 125,000

15 (d) Crop Production Improvement ..... 15,000

16 (4) Department of Transportation,

17 Communication and Infrastructure.

18 (a) Dry Docking of MS Voyager PROVIDED

19 THAT of the amount appropriated herein

20 \$756,592 shall come from funds available under

21 the amended Compact for Infrastructure

22 Development Sector and, provided that, these

23 funds shall not be allotted or obligated until

24 such time as formal approval has been obtained

25 in accordance with the Amended Compact of Free

1	Association .....	\$ 880,000
2	(b) Tuna Commission Headquarters	
3	Supplement .....	-0-
4	(5) <u>Department of Justice.</u>	
5	(a) FSM Patrol Boat Slipping .....	250,000
6	(b) Construction of 2 fuel tanks ....	-0-
7	(6) <u>FSM Postal Services.</u>	
8	(a) Pohnpei Post Office renovation ..	50,000
9	(7) <u>Infrastructure Maintenance Fund (IMF).</u>	
10	(a) IMF PROVIDED THAT \$118,750 of the	
11	funds appropriated herein shall be deemed to	
12	come from funds available under the amended	
13	Compact for Infrastructure Development Sector	
14	and, provided that, these funds shall not be	
15	allotted or obligated until such time as	
16	formal approval has been obtained in	
17	accordance with the Amended Compact of Free	
18	Association.....	237,500
19	(8) <u>FSM Development Bank.</u>	
20	(a) Escrow Account USDA Housing Program	-0-
21	(9) <u>FSM Trust Fund.</u>	
22	(a) FSM Trust Fund created under the	
23	Amended Compact of Free Association, provided	
24	that, 50% of any FY 2006 domestic revenue	
25	carryover shall also be deposited into the FSM	

1 Trust Fund \$ .....500,000"

2 Section 7. This act shall become law upon approval by the  
3 President of the Federated States of Micronesia or upon its  
4 becoming law without such approval.

5

6

7

8

9 December 12, 2006

10

11

12

13

14 /s/ Joseph J. Urusemal

15 Joseph J. Urusemal  
16 President  
17 Federated States of Micronesia

18

19

20

21

22

23

24