
A BILL FOR AN ACT

To amend Public Law No. 13-19, by amending sections 1 through 9 thereof for the purposes of adding a definition and appropriating an additional sum of \$21,241,915 from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 2004, to fund the 2nd, 3rd and 4th quarters of Fiscal Year 2004 the operations of all branches of the National Government of the Federated States of Micronesia, its agencies, programs, grants, subsidies and contributions and to provide funding for the capital and human resource development budget, for a total Fiscal Year 2004 annual budget of \$28,437,967; by adding a new section 13 to authorize the use of Grant funds from the Government of the United States to reimburse certain expenses paid from local revenues; and for other purposes.

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

1 Section 1. Section 1 of Public Law No. 13-19 is hereby
2 amended to read as follows:

3 "Section 1. Definitions.

4 (1) 'Budget book' means the document entitled
5 Federated States of Micronesia National Government
6 Fiscal Year 2004 Proposed Budget transmitted by the
7 President to the Speaker of the Congress of the
8 Federated States of Micronesia on April 30, 2003.

9 (2) 'Activity' means that set of activities set
10 forth in the performance budget pages of the budget
11 book for each department, office, agency or program.
12 An activity is a general policy objective, the
13 achievement of which can be measured. An activity is
14 part of a strategic goal and will result in a certain

1 amount or number of outputs or units of work.

2 (3) 'Performance budget pages' means those pages in
3 the budget book that set forth the mission, strategic
4 goals, activities, objectives and outputs for each
5 department or agency.

6 (4) 'Amended Compact' means the Compact of Free
7 Association, as amended, between the Government of the
8 United States of America and the Government of the
9 Federated States of Micronesia."

10 Section 2. Section 2 of Public Law No. 13-19 is hereby
11 amended to read as follows:

12 "Section 2. Operating expenses of the Executive
13 Branch. The sum of \$~~[3,245,770]~~ 12,983,080, or so
14 much thereof as may be necessary, is hereby
15 appropriated from the General Fund of the Federated
16 States of Micronesia for the fiscal year ending
17 September 30, 2004, for the operations of the
18 Executive Branch of the National Government during
19 ~~[the first quarter of]~~ fiscal year 2004. The sum
20 appropriated by this section shall be apportioned as
21 follows:

22 (1) Office of the President
23 \$~~[167,716]~~ 670,864, for the activities set forth in
24 the performance budget pages 1 through 3 of the budget
25 book.

1 (2) Department of Foreign Affairs
2 \$~~[823,726]~~ 3,294,902, for the activities set forth in
3 the performance budget pages 21 through 26 of the
4 budget book.

5 (3) Department of Finance and Administration
6 \$~~[520,939]~~ 2,083,756, for the activities set forth in
7 the performance budget pages 74 through 78 of the
8 budget book. Of the total funds appropriated,
9 \$1,241,195 shall be deemed to come from funds
10 available under the Amended Compact for capacity
11 building.

12 (4) Department of Economic Affairs
13 \$~~[287,737]~~ 1,150,946, for the activities set forth in
14 the performance budget pages 115 through 122 of the
15 budget book. Of the total funds appropriated,
16 \$513,091 shall be deemed to come from funds available
17 under the Amended Compact for private sector
18 development, \$79,477 for environment sector and
19 \$440,466 for capacity building.

20 (5) Department of Transportation, Communication and
21 Infrastructure
22 \$~~[302,813]~~ 1,211,252, for the activities set forth in
23 the performance budget pages 172 through 175 of the
24 budget book.

25 (6) Department of Health, Education and Social

1 Affairs
2 \$~~[353,041]~~ 1,412,163, for the activities set forth in
3 the performance budget pages 202 through 209 of the
4 budget book. Of the total funds appropriated,
5 \$536,856 shall be deemed to come from funds available
6 under the Amended Compact for education sector and
7 \$548,023 for health sector.

8 (7) Department of Justice
9 \$~~[669,709]~~ 2,678,835, for the activities set forth in
10 the performance budget pages 330 through 334 of the
11 budget book. Of the total funds appropriated,
12 \$1,363,645 shall be deemed to come from funds
13 available under the Amended Compact for capacity
14 building.

15 (8) FSM Public Defender Office
16 \$~~[120,091]~~ 480,362, for the activities set forth in
17 the performance budget pages 364 through 365 of the
18 budget book."

19 Section 3. Section 3 of Public Law No. 13-19 is hereby
20 amended to read as follows:

21 "Section 3. Operating expenses of the Legislative
22 Branch.

23 The sum of \$~~[778,987]~~ 2,765,946, or so much thereof as
24 may be necessary, is hereby appropriated from the
25 General Fund of the Federated States of Micronesia for

1 the fiscal year ending September 30, 2004, for the
2 operations of the Legislative Branch of the National
3 Government during fiscal year 2004 in order to achieve
4 the activities set forth in the performance budget
5 pages 372 through 373 of the budget book."

6 Section 4. Section 4 of Public Law No. 13-19 is hereby
7 amended to read as follows:

8 "Section 4. Operating expenses of the National
9 Judiciary Branch.

10 The sum of \$~~[242,268]~~ 969,070, or so much thereof as
11 may be necessary, is hereby appropriated from the
12 General Fund of the Federated States of Micronesia for
13 the fiscal year ending September 30, 2004, for the
14 operations of the Judiciary Branch of the National
15 Government during fiscal year 2004 in order to achieve
16 the activities set forth in the performance budget
17 pages 398 through 400 of the budget book. Of the
18 total funds appropriated, \$648,390 shall be deemed to
19 come from funds available under the Amended Compact
20 for capacity building."

21 Section 5. Section 5 of Public Law No. 13-19 is hereby
22 amended to read as follows:

23 "Section 5. Operating expenses of the Public Auditor
24 Office.

25 The sum of \$~~[126,388]~~ 505,552, or so much thereof as

1 may be necessary, is hereby appropriated from the
2 General Fund of the Federated States of Micronesia for
3 the fiscal year ending September 30, 2004, for the
4 operations of the Office of the FSM Public Auditor
5 during fiscal year 2004 in order to achieve the
6 activities set forth in the performance budget pages
7 409 through 410 of the budget book. All funds
8 appropriated herein shall be deemed to come from funds
9 available under the Amended Compact for capacity
10 building."

11 Section 6. Section 6 of Public Law No. 13-19 is hereby
12 amended to read as follows:

13 "Section 6. Operating expenses of agencies of the
14 National Government.

15 The sum of \$~~[372,925]~~ 1,487,701, or so much thereof as
16 may be necessary, is hereby appropriated from the
17 General Fund of the Federated States of Micronesia for
18 the fiscal year ending September 30, 2004, for the
19 operations of the following boards, commissions and
20 agencies during fiscal year 2004. The sum
21 appropriated by this section shall be apportioned as
22 follows:

23 (1) National Oceanic Resource Management Authority
24 \$~~[95,197]~~ 380,787, for the activities set forth in the
25 performance budget pages 418 through 420 of the budget

1 book.

2 (2) Board of Regents - COM-FSM

3 \$[~~21,115~~] 84,460, for the activities set forth in the
4 performance budget pages 428 through 429 of the budget
5 book. All funds appropriated herein shall be deemed
6 to come from funds available under the Amended Compact
7 for education sector.

8 (3) FSM Coconut Development Authority

9 \$[~~28,883~~] 115,533, for the activities set forth in the
10 performance budget pages 434 of the budget book.

11 (4) FSM Banking Board

12 \$[~~34,596~~] 138,384, for the activities set forth in the
13 performance budget pages 440 through 442 of the budget
14 book.

15 (5) FSM Postal Services

16 \$[~~153,134~~] 612,537, for the activities set forth in
17 the performance budget pages 448 through 450 of the
18 budget book.

19 (6) FSM National Fisheries Corporation

20 \$[~~39,000~~] 156,000, for the activities set forth in the
21 performance budget page 458 of the budget book."

22 Section 7. Section 7 of Public Law No. 13-19 is hereby
23 amended to read as follows:

24 "Section 7. Special Programs.

25 The sum of \$[~~160,421~~] 641,683, or so much thereof as

1 may be necessary, is hereby appropriated from the
2 General Fund of the Federated States of Micronesia for
3 the fiscal year ending September 30, 2004, for the
4 following special programs during fiscal year 2004.
5 The sum appropriated by this section shall be
6 apportioned as follows:

7 (1) FSM Aquaculture Center

8 \$~~[22,958]~~ 91,833, for the activities set forth in the
9 performance budget page 462 of the budget book.

10 (2) Joint Committee on Compact Economic Negotiations
11 (JCN)

12 \$~~[74,250]~~ 297,000, for the activities set forth in the
13 performance budget pages 468 through 469 of the budget
14 book.

15 (3) Office of the National Election Director

16 \$~~[59,463]~~ 237,850, for the activities set forth in the
17 performance budget page 475 of the budget book.

18 (4) National Authorizing Committee (APU/EU/Cotonou
19 Agreement)

20 \$~~[3,750]~~ 15,000, for the activity set forth in the
21 performance budget page 482 of the budget book."

22 Section 8. Section 8 of Public Law No. 13-19 is hereby
23 amended to read as follows:

24 "Section 8. Grants, Subsidies and Contributions.

25 The sum of \$~~[682,445]~~ 2,887,137, or so much thereof as

1 may be necessary, is hereby appropriated from the
 2 General Fund of the Federated States of Micronesia for
 3 the fiscal year ending September 30, 2004, for the
 4 following grants, subsidies and contributions during
 5 fiscal year 2004. The sum appropriated by this
 6 section shall be apportioned as follows:

7	(1) Department of Foreign Affairs	
8	(a) Forum Secretariat	\$ [8,750] <u>35,000</u>
9	(b) The Pacific Community ...	[7,500] <u>30,000</u>
10	(c) United Nations Economic and Social	
11	Commission for Asia and the Pacific (ESCAP) [1,250]	\$ <u>5,000</u>
12	(d) United Nations Membership Fee [15,000]	<u>60,000</u>
13	(e) East-West Center	[2,500] <u>10,000</u>
14	(2) Department of Finance and Administration	
15	(a) ACP/EU (Cotonou) Membership Fee [2,000]	<u>8,000</u>
16	(b) World Bank Group (Additional Membership	
17	Fee)	[18,143] <u>72,570</u>
18	(3) Department of Economic Affairs	
19	(a) Pacific Islands Development	
20	Program	[3,750] <u>15,000</u>
21	(b) Forum Fisheries Agency	
22	(FFA)	[5,250] <u>21,000</u>
23	(c) United Nations Development Program	
24	(UNDP)	[750] <u>3,000</u>
25	(d) Coordinating Commission for	

1	Offshore Mineral Prospecting (CCOMP) [2,000]	<u>8,000</u>
2	(e) Intellectual Property Rights	
3	Protection for FSM Biological Diversity [5,000]	<u>20,000</u>
4	(f) Pacific Asian Travel Association	
5	(PATA) [1,250]	<u>5,000</u>
6	(g) FSM Economic Summit [25,000]	<u>100,000</u>
7	(h) National Implementing Strategy for	
8	Climate Change [6,250]	<u>25,000</u>
9	(i) National Plant Protection	
10	Program [15,000]	<u>60,000</u>
11	(j) Pohnpei and Yap Vulnerability	
12	Adaptation [12,500]	<u>50,000</u>
13	(k) Privatization of Public Enterprises	
14	and Corporations (Government Reform) [33,280]	<u>133,120</u>
15	(l) United Nations Environmental	
16	Protection [150]	<u>600</u>
17	(m) Household Income and Expenditure	
18	Survey [37,881]	<u>151,524</u>
19	(n) FSM Migration Statistics	
20	System [15,000]	<u>60,000</u>
21	(o) FSM Giant Clam Culture .. [2,860]	<u>11,440</u>
22	(p) FSM Coastal Fisheries	
23	Consortium [5,250]	<u>21,000</u>
24	(4) Department of Health, Education	
25	and Social Affairs	

1	(a) United Nations Funds for	
2	Population Activity	[750] <u>3,000</u>
3	(b) South Pacific Regional	
4	Environmental Program (SPREP)	[1,844] <u>7,375</u>
5	(c) Aid to Non-Public Schools	[62,500] <u>250,000</u>
6	(d) Financial Assistance for	
7	FSM Students at College of Marshall	
8	Islands (CMI) and Palau Community	
9	College (PCC)	[12,500] <u>50,000</u>
10	(e) World Health Organization	
11	(WHO) Membership Fee	[10,346] \$ <u>41,385</u>
12	(f) National Board of Nursing	[9,500] <u>38,000</u>
13	(g) Pacific Islands Health Officers	
14	Association (PIHOA)	[5,000] <u>20,000</u>
15	(h) National Close-Up Local	
16	Program	[16,000] <u>64,000</u>
17	(i) FSM Amateur Sports Association	[8,750] <u>35,000</u>
18	(j) College of Micronesia Board	[1,250] <u>5,000</u>
19	(k) Association of Territorial	
20	Health Associations	[500] <u>2,000</u>
21	(l) Basic Social Services Project;	
22	provided that the sum appropriated in	
23	this line item shall be deemed to come	
24	from carryover funds from Section	
25	221(b) of Compact I	[16,574] <u>66,294</u>

1	(m) FSM Red Cross	[16,000]	<u>64,000</u>
2	(5) Department of Transportation,		
3	Communication and Infrastructure		
4	(a) Asia Pacific Telecommunity	[1,910]	<u>7,640</u>
5	(b) International Telecommunication		
6	Union	[14,410]	<u>57,639</u>
7	(c) International Civil Aviation		
8	Organization	[7,013]	<u>28,050</u>
9	(d) Micronesian Shipping		
10	Commission	[2,500]	<u>10,000</u>
11	(e) Utilities for FSM Capital	[75,000]	<u>300,000</u>
12	(6) Coconut Development Authority		
13	(a) Copra Subsidy	[25,000]	<u>100,000</u>
14	(b) Asia Pacific Coconut		
15	Community	[3,875]	<u>15,500</u>
16	(7) Other Grants, Subsidies and Contributions		
17	(a) Kosrae Judiciary		
18	(i) Unrestricted	[6,250]	<u>25,000</u>
19	(ii) Law school scholarships	[10,000]	<u>40,000</u>
20	(b) Pohnpei Judiciary	[20,250]	<u>81,000</u>
21	(c) Chuuk Judiciary	[20,250]	<u>81,000</u>
22	(d) Yap Judiciary	[17,500]	<u>70,000</u>
23	(e) Micronesian Legal Services		
24	(MLFC)	[37,500]	<u>150,000</u>
25	(f) COM Treaty Obligations ..	[6,250]	<u>25,000</u>

1	(g) FSM FEMA/Disaster Matching [50,000]	<u>200,000</u>
2	(h) State Law Enforcement .. [38,250]	<u>145,000"</u>

3 Section 9. Section 9 of Public Law No. 13-19 is hereby
 4 amended to read as follows:

5 "Section 9. Capital and Human Resource Development.

6 The sum of \$~~[1,586,848]~~ 6,197,798, or so much thereof
 7 as may be necessary, is hereby appropriated from the
 8 General Fund of the Federated States of Micronesia for
 9 the fiscal year ending September 30, 2004, for capital
 10 improvement, development programs and projects and
 11 human resource development. The sum appropriated
 12 under this section shall be apportioned as follows:

13 (1) College of Micronesia-FSM

14 (a) Operations of the College of Micronesia-FSM,
 15 including planning, construction and maintenance of
 16 college facilities. All funds appropriated herein
 17 shall be deemed to come from funds available under
 18 the Amended Compact for education
 19 sector ~~[750,000]~~\$ 3,000,000

20 (b) Student assistance for
 21 tuition and housing to be deemed as deriving
 22 from carryover funds from section 216(a) (3)
 23 of the Compact I ~~[118,750]~~ 475,000

24 (c) COM-FSM Chuuk Campus Facility
 25 ; PROVIDED THAT funds appropriated in

1	<u>this line item shall be deemed to come</u>	
2	<u>from funds available under the Amended</u>	
3	<u>Compact for infrastructure</u>	
4	<u>development</u> [87,500]	<u>350,000</u>
5	(d) FSM Fisheries and Maritime	
6	<u>Institute; PROVIDED THAT funds appropriated</u>	
7	<u>in this line item shall be deemed to come</u>	
8	<u>from funds available under the Amended</u>	
9	<u>Compact for the education sector</u> . [177,098]	<u>708,393</u>
10	(2) National Staff Upgrading; <u>PROVIDED</u>	
11	<u>THAT funds appropriated herein shall be</u>	
12	<u>deemed to come from funds available</u>	
13	<u>under the Amended Compact for capacity</u>	
14	<u>building</u> [12,500]	<u>50,000</u>
15	(3) FSM Visitor Bureau [0]	<u>350,000</u>
16	(4) EMPAT Phase III ; <u>PROVIDED THAT</u>	
17	<u>\$38,479 of funds appropriated herein</u>	
18	<u>shall be deemed to come from funds</u>	
19	<u>available under the Amended Compact for</u>	
20	<u>capacity building</u> [11,750]	<u>47,000</u>
21	(5) 3 rd Convention of FSM Coastal	
22	Fisheries [4,351]	<u>17,405</u>
23	(6) FSM Development Bank - Business	
24	Development Loan Program [0]	<u>1,000,000</u>
25	(7) FSS Palikir Slipping [50,000]	<u>200,000"</u>

1 Section 10. A new section 13 of Public Law No. 13-19 is
2 hereby added to read as follows:

3 "Section 13. Reimbursement of Local Revenue Expenses
4 from Grant Funds. The President, or his designee, may
5 reimburse from funds received pursuant to the Amended
6 Compact or other grants from the Government of the
7 United States in accordance with the terms and
8 conditions thereof, local revenue funds dedicated in the
9 Fiscal Year 2004 Budget Book for specific purposes, but
10 appropriated and utilized pursuant to this act for
11 different purposes.

12 Section 11. This act shall become law upon approval by the
13 President of the Federated States of Micronesia or upon its
14 becoming law without such approval.

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16 Date: 10/27/03

Introduced by: /s/ Sabino S. Asor
 Sabino S. Asor

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