



OFFICE OF THE GOVERNOR
STATE OF CHUUK

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WESLEY W. SIMINA
GOVERNOR
JOHNSON ELIMO
LIEUTENANT GOVERNOR

May 17, 2011

THE HONORABLE MARK MAILO

President
Senate
11th Chuuk State Legislature
Weno, Chuuk, FM 96942

THE HONORABLE INNOCENTE ONEISOM

Speaker
House of Representatives
11th Chuuk State Legislature
Weno, Chuuk FM 96942

RE: CSL NO. 11-11-01

Dear President Mailo and Speaker Oneisom:

I am respectfully transmitting the attached Act 11 - 01, which I signed into a law and assigned the corresponding, number as Chuuk State Law No. 11 - 11 - 01. This law amends various sections of CSL No. 10-10-22, as amended by CSL Nos. 10-10-30 and 10-10-38 otherwise known as the FY 2011 Budget Act by increasing the local revenue budget from \$6,536,016 to \$6,671,712 or \$135,696, reprogramming from the unused of the personnel line item for various offices, departments and branches of Chuuk State, and appropriating the following:

- 1) \$180,000 for the Municipal Operations;
- 2) \$12,600 for the 3rd quarter allowance of the 12 new members of the House of Representatives;
- 3) \$65,000 for the travel of CSL;
- 4) \$13,100 for CSL Legal needs;
- 5) \$20,000 airport fuel;
- 6) \$5,000 for Guandong Delegation;
- 7) 10,000 for the travel of Governor's Office; and
- 8) 10,000 for the protocol of the Governor.

I have noticed discrepancies especially in the CSL budget. You have increased your travel to \$65,000 but there was an excess of \$1,800 on top of the \$65,000. In addition, the title of the bill including the transmittal states that the total increase in the Executive

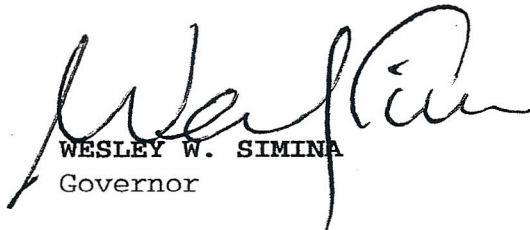
Branch was \$70,000 but the line item reflects only \$40,000. Lastly, there was an increase of \$4,996 which our budget office could not determine which part of the budget was increased. This can be explained as follows:

| | |
|------------------------------|----------------|
| New appropriation | \$135,696 |
| Reprogramming from personnel | <u>190,008</u> |
| Total | \$325,704 |
| | |
| Total proposed uses | \$330,700 |
| | |
| Difference of | \$ 4,996 |

I suggest that your budget office work with our budget office to determine where lies the difference of \$4,996.

Your efforts in the passage of this bill show your resilience despite of the tragedy that befalls the infrastructure of your institution.

Sincerely,



WESLEY W. SIMINA
Governor

Enclosure

AN ACT

To further amend sections 1 to 7 and 10 of CSL No. 10-10-22, as amended by CSL Nos. 10-10-30 and 10-10-38 to reprogram and supplement the operations of the Executive, Legislative, and Judiciary branches of Chuuk State Government, to appropriate the sum of \$180,000 for the remaining six months of the Municipal operations, \$10,000 for the Election Commission, \$5,000 for the Guandong Delegation, \$12,600 for the allowance for one quarter of the new members of the House of Representatives, \$55,000 for the Committee travel of the Legislature and, \$10,000 for travel for the Office of the President and Speaker, \$13,100 for Legal Office needs, \$70,000 for the operations of the Executive Branch, to provide that appropriation for Municipal Operation shall be available until fully expended, to prohibit reprogramming and for other purposes.

Be it enacted by the Chuuk State Legislature:

1. Section 1. Amendment. Section 1 of C.S.L. No. 10-10-22, as amended
- 2 by CSL No. 10-10-30 and 10 -10-38 is hereby further amended to read as follows:

- 3 “Section 1. Budget for the State. There is hereby enacted Chuuk State
- 4 Budget for the internal operation of the Executive, Legislative, and Judiciary
- 5 Branches of the Chuuk State Government, State Public Auditor Office,
- 6 Independent Prosecutor Office, State Boards, Commissions, Authorities,
- 7 Agencies, Bureaus and other Programs, pursuant to the Authority vested in the
- 8 Legislature by article VIII, section 4 of the State of Chuuk Constitution.

- 9 (a) Anticipated Revenues: The state anticipates the following
- 10 revenues as projected and available for appropriation for the fiscal year
- 11 Ending September 30, 2011.

| | | | |
|----|----|--------------------------|--------------|
| 12 | l) | Compact Sectorial Grants | |
| 13 | a) | Education | \$ 9,953,420 |
| 14 | | i) SEG | \$ 4,480,707 |
| 15 | b) | Health Sector | \$ 8,909,104 |
| 16 | c) | Public Infrastructure | \$ 9,497,824 |
| 17 | d) | Capacity Building | \$ 99,000 |
| 18 | e) | Private Sector | \$ 986,847 |
| 19 | f) | Environment | \$ 662,123 |
| 20 | g) | Special Sector Grant | \$ 1,425,000 |

| | | |
|---|--------------------|---------------|
| 1 | (2) Local Revenues | \$6,671,712 |
| 2 | Total Projections | \$ 43,519,737 |

3 (b) Definition. When use in this act, the phrases:

4 (1) "Agency" mean any agency, commission, authority, board,
 5 bureaus or the organization of Chuuk State Government as established by law
 6 and not specifically part of one of the three branches of the Chuuk State
 7 Government.

8 (2) "Appropriation" refers to a law enacted by Chuuk State
 9 Legislature which authorizes Chuuk State Government to incur obligations and
 10 to make payment out of the Chuuk State Treasury in accordance with the
 11 Constitution of the State of Chuuk.

12 (3) "Compact" refers to the Compact of Free Association, as
 13 amended, and its related agreements entered into between the Government of the
 14 Federated States of Micronesia and the Government of the United States and as
 15 Enacted as United States Public Law No. 108-188.

16 (4) "Departments" refers to any departments and offices as prescribed
 17 in the Organization Act of 2004, as amended.

18 (5) "Fiscal Procedure Agreement" means the Agreement concerning
 19 procedures for the implementation of the United States Economic Assistance
 20 Provided in the Compact of Free Association, as amended between the
 21 Government of the Federated States of Micronesia and the Government of the
 22 United States of America.

23 (6) "Fiscal Year" refers to each one-year period beginning October 1,
 24 and ending on the next following September 30. Each Fiscal Year shall be
 25 designated by number of the calendar year in which such Fiscal Year ends.

26 (7) "Governor" means the Governor of the State of Chuuk.

27 (8) "Internal Operations" means the internal operations of the
 28 Executive, Legislative and Judiciary Branches of the Chuuk State Government,
 29 State Boards, Commissions, Authorities and other programs."

30 Section 2. Amendment. Section 2 of C.S.L. No. 10-10-22 as amended by CSL
 31 Nos. 10-10-30 and 10-10-38 is hereby further amended to read as follows:

| | | | | |
|----|---|------------------|----------------|------------------|
| 1 | ii. OCE | 10,000 | -0- | 10,000 |
| 2 | iii. Fixed Assets | -0- | -0- | -0- |
| 3 | Sub-Total | 8,792,683 | -0- | 8,792,683 |
| 4 | C. DEPARTMENT OF ADMINISTRATIVE SERVICES | | | |
| 5 | 1. Personnel | 62,605 | 570,480 | 633,085 |
| 6 | 2. Travel | 9,500 | -0- | 9,500 |
| 7 | 3. All Others | | | |
| 8 | i. Contr Serv. | 44,210 | 30,000 | 74,210 |
| 9 | ii. OCE | 10,000 | 20,800 | 30,800 |
| 10 | iii. Fixed Asset | 29,600 | -0- | 29,600 |
| 11 | Sub-Total | 155,915 | 621,280 | 777,195 |
| 12 | D. MARINE RESOURCES | | | |
| 13 | 1. Personnel | 128,696 | 34,788 | 163,484 |
| 14 | 2. Travel | 14,000 | -0- | 14,000 |
| 15 | 3. All Others | | | |
| 16 | i. Contr Serv. | 19,000 | -0- | 19,000 |
| 17 | ii. OCE | 26,000 | -0- | 26,000 |
| 18 | iii. Fixed Assets | 54,000 | -0- | 54,000 |
| 19 | Sub-Total | 241,696 | 34,788 | 276,484 |
| 20 | E. AGRICULTURE | | | |
| 21 | 1. Personnel | 211,480 | 39,266 | 250,746 |
| 22 | 2. Travel | 55,000 | -0- | 55,000 |
| 23 | 3. All Others | | | |
| 24 | i. Contr Serv. | 75,500 | -0- | 75,500 |
| 25 | ii. OCE | 85,000 | -0- | 85,000 |
| 26 | iii. Fixed Assets | 17,976 | -0- | 17,976 |
| 27 | Sub-Total | 444,956 | 39,266 | 484,222 |
| 28 | F. PUBLIC SAFETY | | | |
| 29 | 1. Personnel | -0- | 564,146 | 564,146 |
| 30 | 2. Travel | -0- | -0- | -0- |
| 31 | 3. All Others | | | |
| 32 | i. Contr Serv. | -0- | 5,600 | 5,600 |

| | | | | |
|----|---|-------------------|------------------|--------------------|
| 1 | ii. OCE | -0- | 28,800 | 28,800 |
| 2 | iii. Fixed Assets | -0- | -0- | -0- |
| 3 | Sub-Total | -0- | 598,546 | 598,546 |
| 4 | G. PUBLIC WORKS AND TRANSPORTATION | | | |
| 5 | 1. Personnel | -0- | 538,727 | 538,727 |
| 6 | 2. Travel | -0- | 8,000 | 8,000 |
| 7 | 3. All Others | | | |
| 8 | i. Concs Serv. | -0- | 51,000 | 51,000 |
| 9 | ii. OCE | -0- | 102,448 | 102,448 |
| 10 | iii. Fixed Assets | -0- | -0- | -0- |
| 11 | Sub-Total | | 700,175 | 700,175 |
| 12 | H. GOVERNOR'S OFFICE | | | |
| 13 | 1. Personnel | -0- | 173,409 | 173,409 |
| 14 | 2. Travel | -0- | 25,400 | 25,400 |
| 15 | 3. All Others | | | |
| 16 | i. Contr Serv. | -0- | 92,147 | 92,147 |
| 17 | ii. OCE | -0- | 44,400 | 44,400 |
| 18 | iii. Fixed Assets | -0- | 30,000 | 30,000 |
| 19 | Sub-Total | -0- | 365,356 | 365,356 |
| 20 | I. ATTORNEY GENERAL | | | |
| 21 | 1. Personnel | -0- | 189,813 | 189,813 |
| 22 | 2. Travel | -0- | 9,091 | 9,091 |
| 23 | 3. All Others | | | |
| 24 | i. Contr Serv. | -0- | 19,100 | 19,100 |
| 25 | ii. OCE | -0- | 12,000 | 12,000 |
| 26 | iii. Fixed Assets | -0- | -0- | -0- |
| 27 | Sub-Total | -0- | 230,004 | 230,004 |
| 28 | Total Executive Br | 18,510,354 | 2,589,415 | 21,099,769" |

29 Section 4. Amendment. Section 4 of C.S.L. No. 10-10-22, as amended by CSL
30 Nos. 10-10-30 is hereby further amended to read as follows:

31 "Section 4. Operating Expenses of the Legislative Branch. The sum of
32 \$2,181,726, or so much thereof as maybe necessary, is hereby appropriated

1 from the General Fund of the State for the Fiscal ending September 30, 2011,
 2 for the purpose of funding the operation of the Legislative Branch of the
 3 Chuuk State Government. The President and the Speaker shall be the allottee
 4 of funds. The funds shall be appropriated as follows:

| 5 | LEGISLATIVE | COMPACT | LOCAL | TOTAL |
|----|-------------------|------------|------------------|-------------------|
| 6 | 1. Personnel | -0- | 1,575,166 | 1,575,166 |
| 7 | 2. Travel | -0- | 221,400 | 221,400 |
| 8 | 3. All others | | | |
| 9 | i. Contr Serv. | -0- | 247,900 | 247,900 |
| 10 | ii. OCE | -0- | 81,220 | 81,220 |
| 11 | iii. Fixed Assets | -0- | 56,040 | 56,040 |
| 12 | Total | -0- | 2,181,726 | 2,181,726" |

13 Section 5. Amendment. Section 5 of CSL No. 10-10-22, as amended by CSL 10-10-
 14 30 is further amended to read as follows:

15 "Section 5. Operating Expenses the Judiciary Branch. The sum of \$398,413,
 16 or so much thereof as may be necessary, is hereby appropriated from the General Fund of
 17 the State for the fiscal year ending September 30, 2011, for the purpose of funding the
 18 operation of the Judiciary Branch of the Chuuk State Government. The Chief Justice
 19 shall be the allottee of the funds. The funds shall be apportioned as follows:

| 20 | JUDICIARY | COMPACT | LOCAL | TOTAL |
|----|-------------------|------------|----------------|-----------------|
| 21 | 1. Personnel | -0- | 353,734 | 353,734 |
| 22 | 2. Travel | -0- | 2,079 | 2,079 |
| 23 | 3. All Others | | | |
| 24 | i. Contr Serv. | -0- | 12,600 | 12,600 |
| 25 | ii. OCE | -0- | 30,000 | 30,000 |
| 26 | iii. Fixed Assets | -0- | -0- | -0- |
| 27 | Sub-Total | -0- | 398,413 | 398,413" |

28 Section 6. Amendment. Section 6 of C.S.L. No. 10-10-22 as amended by CSL No.
 29 10-10-30 is hereby further amended to read as follows:

30 "Section 6. Operation of the Commissions, Boards, Agencies, and Authorities.
 31 The sum of \$2,263,093, or so much thereof as may be necessary, is hereby appropriated
 32 from the General Fund of the State for the period ending September 30, 2011, for the

1 purpose of funding the operational expenses of the Commissions, Boards, Agencies, and
 2 Authorities of the Chuuk State Government. The Governor shall be the allottee of these
 3 funds. These funds shall be apportioned as follows:

| 4 | ACTIVITIES | COMPACT | LOCAL | TOTAL |
|----|-------------------------------|---------|----------------|----------------|
| 5 | A. LAND COMMISSION | | | |
| 6 | 1. Personnel | -0- | 85,781 | 85,781 |
| 7 | 2. Travel | -0- | -0- | -0- |
| 8 | 3. All Others | | | |
| 9 | i. Contr. Serv. | -0- | -0- | -0- |
| 10 | ii. OCE | -0- | 4,800 | 4,800 |
| 11 | iii. Fixed Assets | -0- | -0- | -0- |
| 12 | Sub-Total | | 90,581 | 90,581 |
| 13 | B. ELECTION COMMISSION | | | |
| 14 | 1. Personnel | -0- | 64,153 | 64,153 |
| 15 | 2. Travel | -0- | - 0 - | - 0 - |
| 16 | 3. All Others | | | |
| 17 | i. Contr. Serv. | -0- | - 0 - | - 0 - |
| 18 | ii. OCE | -0- | 140,000 | 140,000 |
| 19 | iii. Fixed Assets | -0- | -0- | -0- |
| 20 | Sub-Total | -0- | 204,153 | 204,153 |
| 21 | C. RECREATION | | | |
| 22 | 1. Personnel | -0- | 16,056 | 16,056 |
| 23 | 2. Travel | -0- | - 0 - | - 0 - |
| 24 | 3. All Others | | | |
| 25 | i. Contr. Serv. | -0- | - 0 - | - 0 - |
| 26 | ii. OCE | -0- | - 0 - | - 0 - |
| 27 | iii. Fixed Assets | -0- | - 0 - | - 0 - |
| 28 | Sub-Total | -0- | 16,056 | 16,056 |
| 29 | D. SCHOLARSHIP BOARD | | | |
| 30 | 1. Personnel | 22,429 | -0- | 22,429 |
| 31 | 2. Travel | 3,894 | -0- | 3,894 |
| 32 | 3. All Others | | | |

| | | | | |
|----|-------------------------------------|----------------|---------------|----------------|
| 1 | i. Contr Serv. | 810,714 | -0- | 810,714 |
| 2 | ii. OCE | 11,000 | -0- | 11,000 |
| 3 | iii. Fixed Assets | -0- | -0- | -0- |
| 4 | Sub-Total | 848,037 | -0- | 848,037 |
| 5 | E. HOUSING AUTHORITY | | | |
| 6 | 1. Personnel | -0- | 41,736 | 41,736 |
| 7 | 2. Travel | -0- | -0- | -0- |
| 8 | 3. All Others | | | |
| 9 | i. Contr Serv. | -0- | -0- | -0- |
| 10 | ii. OCE | -0- | 800 | 800 |
| 11 | iii. Fixed Assets | -0- | -0- | -0- |
| 12 | Sub-Total | -0- | 42,536 | 42,536 |
| 13 | F. CEPA | | | |
| 14 | 1. Personnel | 162,428 | -0- | 162,428 |
| 15 | 2. Travel | 9,600 | -0- | 9,600 |
| 16 | 3. All Others | | | |
| 17 | i. Contr. Serv. | 90,045 | -0- | 90,045 |
| 18 | ii. OCE | 80,200 | -0- | 80,200 |
| 19 | iii. Fixed Assets | 7,000 | -0- | 7,000 |
| 20 | Sub-Total | 349,273 | -0- | 349,273 |
| 21 | G. BOARD OF EDUCATION | | | |
| 22 | 1. Personnel | -0- | -0- | -0- |
| 23 | 2. Travel | 1,000 | -0- | 1,000 |
| 24 | 3. All Others | | | |
| 25 | i. Contr. Serv. | -0- | -0- | -0- |
| 26 | ii. OCE | 11,700 | -0- | 11,700 |
| 27 | iii. Fixed Assets | -0- | -0- | -0- |
| 28 | Sub-Total | 12,700 | -0- | 12,700 |
| 29 | H. PUBLIC SERVICE COMMISSION | | | |
| 30 | 1. Personnel | -0- | 89,014 | 89,014 |
| 31 | 2. Travel | -0- | -0- | -0- |
| 32 | 3. All Others | | | |

| | | | | |
|----|--|------------------|----------------|-------------------|
| 1 | i. Contr. Serv. | -0- | 4,000 | 4,000 |
| 2 | ii. OCE | -0- | -0- | -0- |
| 3 | iii. Fixed Assets | -0- | -0- | -0- |
| 4 | Sub-Total | -0- | 93,014 | 93,014 |
| 5 | I. CHUUK VISITORS BUREAU | | | |
| 6 | 1. Personnel | 56,913 | -0- | 56,913 |
| 7 | 2. Travel | 24,000 | -0- | 24,000 |
| 8 | 3. All Others | | | |
| 9 | i. Contr Serv. | 77,330 | -0- | 77,330 |
| 10 | ii. OCE | 28,000 | -0- | 28,000 |
| 11 | iii. Fixed Assets | 500 | -0- | 500 |
| 12 | Sub-Total | 186,743 | -0- | 186,743 |
| 13 | J. COMPACT FUNDS CONTROL COMMISSION | | | |
| 14 | 1. Personnel | 11,200 | -0- | 11,200 |
| 15 | 2. Travel | 18,560 | -0- | 18,560 |
| 16 | 3. All Others | | | |
| 17 | i. Contr Serv. | 357,940 | -0- | 357,940 |
| 18 | ii. OCE | 25,300 | -0- | 25,300 |
| 19 | iii. Fixed Assets | 7,000 | -0- | 7,000 |
| 20 | Sub-Total | 420,000 | -0- | 420,000 |
| 21 | TOTAL | 1,816,753 | 446,340 | 2,263,093" |

22 Section 7. Amendment. Section 7 of C.S.L. No. 10-10-22, as amended by CSL
 23 Nos. 10-10-30 and 10-10-38 is hereby further amended to read as follows:

24 "Section 7. Operating Expenses of Other Programs/Grants. The sum of
 25 \$13,096,029, or so much thereof as may be necessary, is hereby appropriated from the
 26 General Fund of the State for the fiscal year ending September 30, 2011, for the purpose
 27 of funding the operational expenses of Other State Programs. Provided, that the amount
 28 appropriated for Municipal Operation shall remain available until fully expended. The
 29 Governor shall be the allottee of these funds. The funds shall be apportioned as follows:

| 30 | ACTIVITIES | COMPACT | LOCAL | TOTAL |
|----|------------------------|---------|---------|---------|
| 31 | A. Municipal Operation | -0- | 360,000 | 360,000 |
| 32 | B. Non Public School | 300,000 | -0- | 300,000 |

| | | | | |
|----|----------------------------|-------------------|------------------|-------------------|
| 1 | C. Rural Development | -0- | 22,682 | 22,682 |
| 2 | D. COM Land Grant | 91,500 | -0- | 91,500 |
| 3 | E. Debt Relief Fund | -0- | -0- | -0- |
| 4 | F. Peace Corps Office | -0- | 10,000 | 10,000 |
| 5 | G. Red Cross | 34,000 | -0- | 34,000 |
| 6 | H. CSBDC (Small Business) | 178,887 | -0- | 178,887 |
| 7 | I. AG office Training Prog | 158,200 | -0- | 158,200 |
| 8 | J. IMF | -0- | 463,136 | 463,136 |
| 9 | K. Public Infra Grant | 9,497,824 | -0- | 9,497,824 |
| 10 | L. PSC Training Prog | 138,000 | -0- | 138,000 |
| 11 | M. DPS Training Prog | 50,000 | -0- | 50,000 |
| 12 | N. Planning & Statistics | 166,800 | -0- | 166,800 |
| 13 | O. DAS-FSM Oversight | 425,000 | -0- | 425,000 |
| 14 | P. Land Acquisition | 1,000,000 | | 1,000,000 |
| 15 | Q. Economic Summit | | 60,000 | 60,000 |
| 16 | R. ESG | | | |
| 17 | a) Executive | -0- | 50,000 | 50,000 |
| 18 | b) Legislative | -0- | 50,000 | 50,000 |
| 19 | S. Insurance Broker | -0- | 15,000 | 15,000 |
| 20 | T. Election Commission | -0- | 20,000 | 20,000 |
| 21 | U. Guandong Delegation | -0- | 5,000 | 5,000 |
| 22 | Sub-Total | 12,040,211 | 1,055,818 | 13,096,029 |

23

24 V. Supplemental Education Grant

25 a) Authorization and Appropriation for Supplemental Education Grant. The

26 sum of \$4,480,707, or so much thereof as may be necessary is hereby authorized

27 and appropriated from the General Fund of the State for the grant year ending

28 September 30, 2011 that will be determined upon the receipt of the Grant Award

29 for the purpose of funding the operations of the Supplemental Education Grant

30 (SEG). The Governor shall be the allottee of these funds. These funds shall be

31 apportioned as follows:

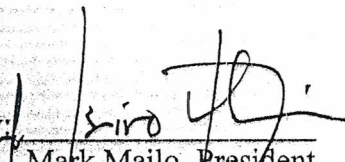
32

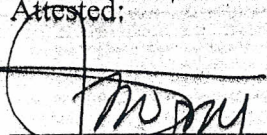
| 1 | SEG | COMPACT | LOCAL | TOTAL |
|---|--------------------|-------------------|------------------|--------------------|
| 2 | 1. Personnel | 1,419,498 | -0- | 1,419,498 |
| 3 | 2. Travel | 66,255 | -0- | 66,255 |
| 4 | 3. All Others: | | | |
| 5 | i. Contr. Serv. | 1,643,020 | -0- | 1,643,020 |
| 6 | ii. OCE | 1,256,934 | -0- | 1,256,934 |
| 7 | iii Fixed Assets | 95,000 | -0- | 95,000 |
| 8 | Subtotal | 4,480,707 | -0- | 4,480,707 |
| 9 | GRAND TOTAL | 36,848,025 | 6,671,712 | 43,519,737" |

10 Section 8. Amendment. Section 10 of CSL 10-10-22 as amended by CSL 10-10-
 11 30 and 10-10-38 is hereby further amended as follows:

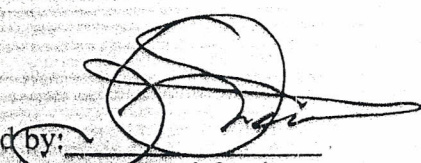
12 "Section 10. Reprogramming and Reallocation. Reprogramming and reallocation
 13 of funds appropriated under this Act from local revenue is prohibited

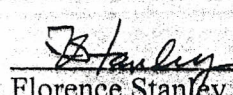
14 Section 9. Effective Date. This Act shall take effect upon approval by the
 15 Governor, or upon its becoming law without such approval.

Signed by: 
 Mark Mailo, President
 The Senate
 Chuuk State Legislature

Attested:

 Songkinita S. Bossy
 Chief Clerk, Senate
 Chuuk State Legislature

Date: 05/11/11

Signed by: 
 Innocent Oneisom
 Speaker
 House of Representatives
 Chuuk State Legislature

Attested:

 Florence Stanley
 Chief Clerk
 House of Representatives
 Chuuk State Legislature

Date: 5/11/11