
AN ACT

To establish a base salary schedule pursuant to the State Public Service System Act; to establish new policies and standards for the compensation of employees in the Public Service System; to provide for the implementation of the salary plan; and for other purposes.

Be it enacted by the Legislature of Truk State.

Section 1. Short Title. This act is known and may be cited as the State Public Service Salary Act of 1981.

Section 2. Statement of Purpose. It is the declared purpose of this Legislature, in establishing a salary plan, to provide a single uniform base salary schedule from which shall be derived the base salary to be paid all employees of the State Government in positions not specifically exempted by Section 8 of the State Public Service System Act, regardless of their nationality or form of employment. The Legislature recognizes that, so long as the State Government employs expatriate personnel, certain premiums must be provided in addition to base salary in order to attract and retain such personnel; therefore, it is the further purpose of this Legislature to establish reasonable standards and limitations for determining such premiums.

Section 3. Definitions.

(1) Except as otherwise provided in this Section, or unless the context clearly requires otherwise, terms used in this act shall have the meaning ascribed in Section 3 of the State Public Service System Act.

(2) "Market Place Premium" means a premium based on the difference between the base salary for a given position and the prevailing pay rate for equivalent position in labor markets outside the Trust Territory.

(3) "Prime Contract" means an appointment to a full-time permanent position which requires the services of a non-citizen of the Trust Territory recruited and hired outside the Trust Territory under a contract of not more than two years duration. Only one member of an

immediate family may be appointed under a prime contract.

(4) "Promotion" means movement of an employee to a position of greater difficulty and responsibility compensated at a higher pay level than his current position, but in the same series of classes or clearly forming part of the same career ladder as his current position.

(5) "Transfer" means movement of an employee from his current position, or in a class so closely related that similar or identical qualification standards apply to both positions, and compensated at the same pay level as his current position.

(6) "United States Citizen" means, for the purposes of this act, a United States citizen eligible for a United States passport. The enactment of this definition shall not impair the obligation of any existing contract with a person who was classified as a United States citizen by prior law, but is not so classified by this act; however, no renewal of such contract may classify such person as a United States citizen unless he shall have become eligible for such classification by the time of renewal.

Section 4. Applicability. This act shall be applicable to all employees and positions in the State Government now existing or hereafter established except those exempt from the State Public Service System by the provision of Section 8 (1) of the State Public Service System Act, except insofar as other provisions of that act specifically apply.

Section 5. Base Salary Schedule. Subject to Section 17 (2) of the State Public Service System Act, the base salary schedule appearing in the following table is hereby adopted pursuant to the State Public Service System Act to provide the official biweekly base salary, based on a forty-hour regular work-week, which shall be paid to employees not specifically exempted by law, in accordance with the pay level assigned to their positions by the Personnel Officer under Section 17 (1), of the State Public Service System Act, and their respective terms of service in the position. The applicable amount set out below shall be paid to each employee who is in pay status for eighty hours in the biweekly pay period. To determine the hourly rate for an employee who works fewer than eighty hours in the pay period or the hourly rate for overtime and applicable differentials, the applicable biweekly base salary shall be divided by eighty. Such procedure shall be used only for those purposes, unless otherwise provided by law or regulation.

BASE SALARY SCHEDULE OF BI-WEEKLY SALARY RATES

Pay Level	Minimum Rate	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	\$ 64.00	\$ 68.48	\$ 73.28	\$ 78.40	\$ 83.92	\$ 89.76	\$ 96.08	\$102.80	\$110.00	\$117.68	\$125.92
2	68.48	73.28	78.40	83.92	89.76	96.08	102.80	110.00	117.68	125.92	134.72
3	73.28	78.40	83.92	89.76	96.08	102.80	110.00	117.68	125.92	134.72	144.16
4	78.40	83.92	89.76	96.08	102.80	110.00	117.68	125.92	134.72	144.16	154.24
5	83.92	89.76	96.08	102.80	110.00	117.68	125.92	134.72	144.16	154.24	165.04
6	89.76	96.08	102.80	110.00	117.68	125.92	134.72	144.16	154.24	165.04	176.56
7	96.08	102.80	110.00	117.68	125.92	134.72	144.16	154.24	165.04	176.56	188.96
8	102.80	110.00	117.68	125.92	134.72	144.16	154.24	165.04	176.56	188.96	202.16
9	110.00	117.68	125.92	134.72	144.16	154.24	165.04	176.56	188.96	202.16	216.32
10	117.68	125.92	134.72	144.16	154.24	165.04	176.56	188.96	202.16	216.32	231.44
11	125.92	134.72	144.16	154.24	165.04	176.56	188.96	202.16	216.32	231.44	247.68
12	134.72	144.16	154.24	165.04	176.56	188.96	202.16	216.32	231.44	247.68	264.96
13	144.16	154.24	165.04	176.56	188.96	202.16	216.32	231.44	247.68	264.96	283.52
14	154.24	165.04	176.56	188.96	202.16	216.32	231.44	247.68	264.96	283.52	303.36
15	165.04	176.56	188.96	202.16	216.32	231.44	247.68	264.96	283.52	303.36	324.64
16	176.56	188.96	202.16	216.32	231.44	247.68	264.96	283.52	303.36	324.64	347.36
17	188.96	202.16	216.32	231.44	247.68	264.96	283.52	303.36	324.64	347.36	371.68
18	202.16	216.32	231.44	247.68	264.96	283.52	303.36	324.64	347.36	371.68	397.68
19	216.32	231.44	247.68	264.96	283.52	303.36	324.64	347.36	371.68	397.68	425.52
20	231.44	247.68	264.96	283.52	303.36	324.64	347.36	371.68	397.68	425.52	455.28
21	247.68	264.96	283.52	303.36	324.64	347.36	371.68	397.68	425.52	455.28	487.20
22	264.96	283.52	303.36	324.64	347.36	371.68	397.68	425.52	455.28	487.20	521.28
23	283.52	303.36	324.64	347.36	371.68	397.68	425.52	455.28	487.20	521.28	557.76
24	303.36	324.64	347.36	371.68	397.68	425.52	455.28	487.20	521.28	557.76	596.80
25	324.64	347.36	371.68	397.68	425.52	455.28	487.20	521.28	557.76	596.80	638.56
26	347.36	371.68	397.68	425.52	455.28	487.20	521.28	557.76	596.80	638.56	
27	371.68	397.68	425.52	455.28	487.20	521.28	557.76	596.80	638.56		
28	397.68	425.52	455.28	487.20	521.28	557.76	596.80	638.56			
29	425.52	455.28	487.20	521.28	557.76	596.80	638.56				
30	455.28	487.20	521.28	557.76	596.80	638.56					

Section 6. Compensation of Employees Who are Citizens of the Trust Territory.

(1) Except as otherwise hereinafter provided, employees who are citizens of the Trust Territory or Federated States of Micronesia shall receive as compensation a base salary as provided in Section 5 of this Act.

(2) Notwithstanding the provisions of Subsection (1) of this Section, any employee covered under the provisions thereof who has achieved advanced professional status through obtaining an earned professional degree in law, or earned doctorate in any other field, or an earned degree in professional engineering awarded on completion of a four-year course, from an accredited United States university or any other college or university which is accredited by the competent authority in the jurisdiction where the college or university is located, and who is employed in a position having a requirement for such a degree, shall receive, in addition to the base salary for the position, 24% of the base salary.

(3) No employee shall be entitled to the benefits of subsection (2) of this Section where they have failed to meet the professional examination and licensing requirements of either the State of Truk or Federated States of Micronesia for members of their respective professions.

Section 7. Compensation for Employees who are Citizen of the United States.

(1) Employees who are citizens of the United States and who are recruited and hired under a prime contract shall receive the following compensation:

(a) a base salary as provided in Section 5 of this act; and

(b) a market place premium, which shall be at the rate established in a table prepared by the Personnel Officer.

(2) Employees who are citizens of the United States and who are not covered by the provisions of Subsection (1) of this Section shall receive the same base salary, and shall be eligible for the same premium, differentials, and allowances, as employees who are citizens of the Trust Territory in like positions.

Section 8. Compensation of Employees who are Third Country Nationals.

(1) Employees who are citizens neither of the Trust Territory nor the United States and who are recruited and hired under a prime contract in countries other than the Trust Territory or the United States shall receive the following compensations:

(a) a base salary as provided in Section 5 of this act; and
(b) if prevailing rates of pay are substantially higher in country of recruitment than in the State of Truk, a Market Place Premium which shall be determined by the Personnel Officer on the basis of the difference, insofar as it can best be estimated between the prevailing rates in the State of Truk and in the country of recruitment. In no case shall such Market Place Premium exceed the United States Market Place Premium for the same pay level and step.

(2) Employees who are citizens neither of the Trust Territory nor of the United States and who are not covered by the provisions of Subsection (1) of this Section 6 of this act shall receive the same base salary, and shall be eligible for the same premiums, differentials and allowances, as employees who are citizens of the Trust Territory in like positions.

Section 9. Entrance Salary of Employees.

(1) The initial base salary rate of a new employee shall be at Step 1 of the pay level for the class of his position unless the Personnel Officer determines that a higher rate is needed for recruitment and that such higher rate is appropriate to the qualification of the applicant; provided, that in no case shall such rate be higher than Step 5 of the pay level for the class of the position.

(2) An employee who receives a promotion within the State Public Service shall have the base salary increased to that step in the pay level for the new position which is two steps higher than the step at which his current salary is fixed, unless his current salary is higher than Step 10 of the said pay level, in which case his salary shall remain unchanged; and his time in grade shall continue to be counted as if the promotion had not taken place.

(3) An employee who receives transfer within the State Public Service shall continue to be paid at the same pay level and step as before the transfer, and his time in grade shall continue to be counted as if the transfer had not taken place.

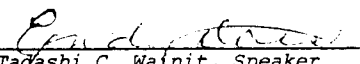
(4) An employee who receives a promotion or transfer from the Trust Territory Public Service to the State Public Service System shall be entitled to a salary within the pay level for the new position, which the Personnel Officer finds to be appropriate in view of the employees' qualifications and his salary in the Trust Territory Public Service. In no case shall the new salary be higher than Step 10 of the pay level for the class of the position.

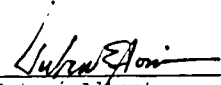
Section 10. Existing Employment Contracts. The provisions of this act shall not impair, change, increase, or decrease the obligations of any existing employment contract to which the State Government is or becomes a party. Every position to be filled after the effective date of this act by initial contractual appointment or renewal shall provide for compensation as specified under the provisions of this act.


Section 11. Salary Adjustments. Each employee within present pay levels 1 through 6, inclusive, shall be adjusted to the next higher base pay rate in the corresponding renumbered pay levels; PROVIDED, that such an adjustment shall provide at least 9 cents more than the present hourly base pay rates. If such an adjustment does not provide at least nine additional cents, the employee shall be adjusted to the next succeeding higher base pay rate within the pay level. Each employee within present pay levels 7 through 11, inclusive, shall be adjusted to the next higher base pay rate in the corresponding renumbered pay levels; PROVIDED, that such an adjustment shall provide at least 7 cents more than the present hourly base pay rates. If such an adjustment does not provide at least seven additional cents, the employee shall be adjusted to the next succeeding higher base pay rate within the pay level. Each employee within present pay levels 13 through 16, inclusive, shall be adjusted to the next higher base pay rate in the corresponding renumbered pay levels; PROVIDED, that such an adjustment shall provide at least 5 cents more than the present hourly base pay rate. If such adjustment does not provide at least five additional cents, the employee shall be adjusted to the next succeeding higher base pay rate within the pay level. Each employee with present pay level 17 through 30 will be adjusted to the matching pay rate, if such exists, or to the next higher base pay rate in the corresponding renumbered pay level, regardless of the amount of increase involved.

Section 12. Supersession. Public Law No. 6-65, as amended, insofar as it relates to the State Government, is hereby superseded.

Section 13. Effective Date. Upon approval by the Governor, or upon its becoming law without such approval, this act shall take effect on January 1, 1982, provided that the Governor may by executive order delay the effective date not more than sixty days.

Signed by: 
for Tadashi C. Wainit, Speaker
Truk Legislature

Attested to:  Date: April 9, 1981
for Datasi Albert
Legislative Clerk/Secretary
Truk Legislature

DIS Approved by: 
Erhart Aten, Governor
Truk State Government

Date: May 6, 1981