

AN ACT

To amend section 112 of title 52 of the Code of the Federated States of Micronesia (Annotated), as authorized by Public Law No. 18-96, to insert a new section 208 to chapter 2 of title 52 F.S.M.C., to provide for a cost-of-living allowance (COLA) for employees of the National Government of the Federated States of Micronesia, and for other purposes.

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

1 Section 1. Section 112 of title 52 of the Code of the
2 Federated States of Micronesia (Annotated), as authorized by
3 Public Law No. 18-96, is hereby amended to read as follows:

4 "Section 112. Definitions. In this chapter, unless
5 the context requires otherwise, the following
6 definitions shall apply:

7 (1) "Adjusted base salary" means the total of base
8 salary plus marketplace premium, foreign service
9 premium, professional premium, or cost-of-living
10 allowance (COLA). If an employee is not entitled to
11 any of these premiums, his adjusted base salary means
12 his base salary.

13 (2) "Base Salary" means the specific rate of pay for
14 a given pay level and step as contained within the
15 base salary schedule established by law. "Base
16 Salary" does not include premiums under section 163 of
17 this chapter, professional premiums, cost-of-living
18 allowance (COLA), differentials under section 164 of

1 this chapter, or transfer, travel per diem, or other
2 similar allowances.

3 (3) "Class" or "class of positions" means a group of
4 positions sufficiently similar so that all can
5 reasonably be identified by the same title, be filled
6 by applying the same qualification standards, and be
7 equitably compensated by the same salary level. A
8 class may consist of only one position or of any
9 greater number of positions.

10 (4) "cost-of-living allowance (COLA)" means the
11 increase in base salary to compensate for loss of
12 purchasing power due to inflation. Employees exempt
13 from the cost-of-living adjustment includes all
14 officials elected in national elections including
15 members of the Congress of the Federated States of
16 Micronesia, President and Vice President of the
17 Federated States of Micronesia, all employees whom are
18 appointed to a position that requires advise and
19 consent under Chapter 2, Section 207(1) of the Code of
20 the Federated States of Micronesia, employees who
21 receive a professional premium, and employees who
22 receive the foreign service premium.

23 (5) "Eligible list" means a list of persons who have
24 been found qualified for appointment to a position in
25 a particular class. Such a list may be either

1 reemployment, promotional, or open-competitive.

2 (6) "Eligible person" or "eligible" means a person
3 whose name is on an active eligible list.

4 (7) "Employee" means a person holding a position in
5 the public service, whether permanently or otherwise.

6 (8) "Foreign service premium" means a premium set
7 forth under subsection 163(2) of this title

8 (9) "Government of Federated States of Micronesia"
9 includes the Legislative, the Executive, and the
10 Judicial Branches and the agencies of the Government
11 of Micronesia.

12 (10) "Management official" or "management" means a
13 person authorized to make appointments or changes in
14 status of employees in the public services.

15 (11) "Market place premium" means a premium as set
16 forth under subsection 163(1) of this title.

17 (12) "Open-competitive examination" means an
18 examination for positions in a particular class,
19 admission to which is not limited to persons employed
20 in public service.

21 (13) "Open-competitive list" means list of persons
22 who have been found qualified by open-competitive
23 examination for appointment to a position in a
24 particular class.

25 (14) "Personnel officer" means the head of the Office

1 of Personnel of the Government of the Federated States
2 of Micronesia.

3 (15) "Position" means a group of duties and
4 responsibilities assigned by competent authority to be
5 performed by one person, working full-time or part-
6 time. A position may be either occupied or vacant.

7 (16) "Position classification plan" means the
8 arrangement in a systematic order of the titles of all
9 classes existing in the public service, with a
10 description of each class.

11 (17) "Probation period" means a period of
12 probationary employment status of not less than six
13 months nor more than one year from the beginning of an
14 employee's service in a particular position or class
15 in the public service.

16 (18) "Professional premium" means a premium as set
17 forth under subsection 163(3) of this title.

18 (19) "Promotional examination" means an examination
19 for positions in a particular class, admission to
20 which is limited to regular employees in the public
21 service.

22 (20) "Promotional list" means a list of persons who
23 have been found qualified by a promotional examination
24 for appointment to a position in a particular class.

25 (21) "Public service" means all offices and other

1 positions in the Government of the Federated States of
2 Micronesia not exempted by section 117 of this
3 chapter.

4 (22) "Reemployment list" means a list of persons who
5 have been regular employees in the public service and
6 who are entitled to have their names certified for
7 appointment to a position in the class in which they
8 last held permanent status, or in a related class in
9 the same or a lower salary range for which they meet
10 the qualification requirements.

11 (23) "Regular employee" or "permanent employee" means
12 an employee who has been appointed to a position in
13 the public service who has successfully completed a
14 probation period."

15 Section 2. Title 52 of the Code of the Federated States of
16 Micronesia (Annotated), as authorized by Public Law No. 18-96,
17 is hereby amended by inserting a new section 208 to chapter 2 to
18 read as follows:

19 "Section 208. Cost-of-living allowance (COLA).
20 Employees of the National Government of the Federated
21 States of Micronesia (including contract and exempt
22 employees) shall receive a cost-of-living allowance
23 (COLA) in the amount of \$40.00 per 80 hour pay period.
24 This COLA shall be in effect beginning July 1, 2015."

25 Section 3. This act shall become law upon approval by the

1 President of the Federated States of Micronesia or upon its
2 becoming law without such approval.

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6 _____, 2015

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9 LAW W/OUT SIGNATURE 3/9/15

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Manny Mori
President
Federated States of Micronesia

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