



GOVERNMENT OF KOSRAE  
*Governor's Message* Office of the Governor  
Kosrae State  
Post Office Box 158  
Tofol, Kosrae FM 96944  
Telephone (691) 370-3002/3003/3009  
*No. 13-46*  
*CW*

March 28, 2023

The Honorable Semeon J. Phillip  
Speaker  
Kosrae State Legislature  
Kosrae FM 96944

Re: L.R. No. 13-16

Dear Speaker Phillip:

I present my compliments to you and members of the legislature. Once again, I convey on behalf of Lt. Governor Nena and myself our sincere appreciation for your prompt actions on my nominations for cabinet members and certain vacancies in our agencies board of directors. I also thank you and members for your favorable consideration of my funding request to assist the Utwe Water System while we work out a long term solution to the situation at hand.

Mr. Speaker, I write at this time to address my concern over L.R. No. 13-16, by which anticipated local revenues was adjusted upward from \$3,100,000 to \$3,248,000. I am alarmed by the implications of this action and therefore wish to share some key figures for your information and perusal. Revenue collection up to Monday, March 20, 2023, is at \$1,361,000, about 42% of the new projection. We are about midway in the fiscal year and provided we do not see any real economic activities within the next six months I am afraid we will not meet the projected level.

While my administration will continue to assess and implement measures to improve our revenues I strongly believe it is important to flag this issue now for our collective consideration. I am planning to formalize our request to our congress representatives over the \$1m plus congress intended for telecom bandwidth expansion and the sea vessel, which amount we agreed to ask congress to repurpose to address our urgent needs. I have already initiated discussion with Lian Cheng over its Okat lease agreements and will direct the same over the Kosrae Tropical Water plant.

The new level of revenue projection is problematic insofar as to justify further appropriation. Our total appropriation, inclusive of the budget law and the recent appropriations for the Utwe Water System, Women's Day and the Legislature's operation, puts us at \$3,094,000. With the state of our revenue collection and until and unless we can

"TUKENI OREKMA IN AKWOYE MWET LASR A AN SESR KOSRAE"

"WORKING TOGETHER FOR THE WELLBEING OF OUR PEOPLE AND KOSRAE"



ascertain ourselves that will meet the now projected level, I must kindly request that we remain vigilant in our public spending.

Under the same context, my administration will continue to manage expenditures, fully aware of this policy adverse effect on many of our locally sourced programs and services. Our budget must be managed still since we have yet to fully source activities budgeted under the foreign assistance fund. By bringing these matters to your attention, I hope to have the legislature's support to see to it that we end the end year in a fiscally sound manner.

My staff and I will be ready to assist should you and members need further clarification relating to the points raised above. I anticipate your due consideration of this message and for that I thank you and members.

Sincerely,

A handwritten signature in black ink, appearing to read "Arthy G. Nena".

Arthy G. Nena  
Acting Governor, Kosrae State

*Recd 03/28/23  
@ 3:19 pm  
Ker/bkdm*



THIRTEENTH KOSRAE STATE LEGISLATURE  
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TOFOL, KOSRAE STATE  
FEDERATED STATES OF MICRONESIA 96944  
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Simeon J. Phillip  
SPEAKER

Salpasr E. Tiffas  
VICE SPEAKER

Andy J. Andrew  
FLOOR LEADER

LELU:  
Alik S. Isaac  
Bob H. Skilling  
Moses M. Thomson  
Salpasr E. Tiffas  
Yoshiro P. Abraham

TALUNSAK:  
Lyndon H. Jackson  
Nena C. Ned  
Ramsey S. George  
Ruthsina R. Jonah

MALEM:  
Artson S. Talley  
Sasaki L. George  
Simeon J. Phillip

UTWE:  
Andy J. Andrew  
Yamado A. Melander

March 13, 2023

The Honorable Tulensa W. Palik  
Governor  
Kosrae State Government  
Tofol, Kosrae FM 96944

Dear Governor Palik,

I have the honor to transmit herewith L.R. 13-16, which was adopted by the Thirteenth Kosrae State Legislature, First Regular Session, 2023.

Respectfully yours,

Kenye M. Nena  
Acting Chief Clerk  
Thirteenth Kosrae State Legislature

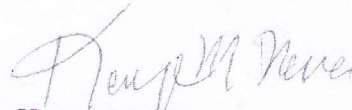
Enclosure:

LEGISLATIVE RESOLUTION NO. 13-16

We hereby certify that the foregoing Resolution was adopted by the  
Legislature, First Regular Session, 2023, by two thirds of the members of  
the Thirteenth Kosrae State Legislature.



Semeon J. Phillip  
Speaker  
13<sup>th</sup> Kosrae State Legislature



Kenye M. Nena  
Acting Chief Clerk  
13<sup>th</sup> Kosrae State Legislature

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A RESOLUTION

To further amend L.R. No. 12-293, by increasing the total funds estimated to be available from the Local Revenue Fund of the Kosrae State Treasury for the fiscal year ending September 30, 2023.

1           **WHEREAS**, pursuant to Section 10.306 of the Kosrae State Code, it requires that the  
2           Legislature adopts a Resolution stating the total funds estimated to be available from the General  
3           Fund and any special funds of the Treasury of Kosrae State during the coming fiscal year; and

4           **WHEREAS**, any estimates in the amount available from the Local Revenue Fund and  
5           other funds of the Treasury are subject to change, based on the inflow of collected revenues; and

6           **WHEREAS**, with new financial information identifying potential increases in revenue  
7           collection, specific to the Local Revenue Fund, the members of the Twelfth Kosrae have decided  
8           to amend the Local Revenue Funding of \$3,100,000 to \$3,248,000 for the Fiscal Year ending  
9           September, 2023; **NOW AND THEREFORE**

10           **BE IT RESOLVED** by the Thirteenth Kosrae State Legislature, during its First Regular  
11           Session, February, 2023, hereby determines that the amount estimated to be available for the  
12           fiscal year ending September 30, 2023, is set at \$16,116,619 of which \$10,922,547 is from the  
13           Amended Compact Fund, the sum of \$3,248,000 is from the State Revenue Fund, the sum of  
14           \$1,227,652 is from the United States Grant, and the sum of \$718,420 is from the Foreign  
15           Assistance Fund; and

16           **BE IT FURTHER RESOLVED**, that certified copies of this resolution be transmitted to  
17           the Governor of Kosrae State, T.H. Tulensa W. Palik; and The Honorable Edmond H. Salik,  
18           Acting Chief Justice of the Kosrae State Court.

19           Date: 03/10/23

Introduced by: /s/  
Alik S. Isaac

LEGISLATIVE RESOLUTION NO. 13-16

THIRTEENTH KOSRAE STATE LEGISLATURE  
FIRST REGULAR SESSION  
KOSRAE, FM 96944

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A RESOLUTION

TO FURTHER AMEND L.R. NO. 12-293, BY INCREASING THE TOTAL FUNDS ESTIMATED TO BE AVAILABLE FROM THE LOCAL REVENUE FUND OF THE KOSRAE STATE TREASURY FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2023.

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INTRODUCED BY:

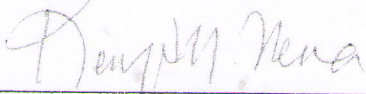
Senator Alik S. Isaac

DATE: March 10, 2023

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ADOPTED: March 13, 2023

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Kenye M. Nena  
Acting Chief Clerk  
13<sup>th</sup> Kosrae State Legislature