

AN ACT

To appropriate the sum of \$29,402,695 from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1998, for the operations of the executive branch, legislative branch, judicial branch, Public Auditor, agencies of the National Government, and for special programs, grants, subsidies, contributions, and refunds of the National Government during fiscal year 1998; to establish a budget for Compact sections 214(b), 215(a)(2), 216(a)(2), 216(a)(3), and 221(b) and to appropriate special funds available therefor under the Compact; to establish a development budget and to appropriate funds available therefor under the Compact; to establish employment ceilings; and for other purposes.

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

Section 1. Operating expenses of the Executive Branch. The sum of

\$12,473,860, or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1998, for the operations of the Executive Branch of the National Government of the Federated States of Micronesia during fiscal year 1998. Of the total funds appropriated under this section, \$519,000 shall be deemed to come from the funds available under section 216(a)(1) of the Compact of Free Association. The sum appropriated by this section shall be apportioned as follows:

(1) Office of the President

(a) Office of the President

(i) Personnel expenses.....	\$ 245,200
(ii) Travel	60,500
(iii) Contractual services, grants, subsidies, and contributions.....	65,500
(iv) Others	29,100
(v) Presidential visits to Chuuk and Yap proper and all outer islands.....	18,000

(b) Office of Public Information

(i) Personnel expenses.....	75,800
(ii) Travel	6,000
(iii) Contractual services, grants, subsidies, and contributions.....	\$ 2,500
(iv) Others	12,100

(c) Disaster Control Office

(i) Personnel expenses.....	21,000
(ii) Travel	-0-
(iii) Contractual services, grants, subsidies, and contributions.....	-0-
(iv) Others	-0-
(2) Department of External Affairs	
(a) Administration	
(i) Personnel expenses.....	93,700
(ii) Travel	70,000
(iii) Contractual services, grants, subsidies, and contributions.....	11,000
(iv) Others	64,000
(b) Division of Asian, Pacific, African & Multilateral Affairs	
(i) Personnel expenses.....	107,800
(ii) Travel	-0-
(iii) Contractual services, grants, subsidies, and contributions.....	-0-
(iv) Others	-0-
(c) FSM Consulate - Guam	
(i) Personnel expenses.....	128,899
(ii) Travel	3,500
(iii) Contractual services, grants, subsidies, and contributions.....	\$ 126,600
(iv) Others	19,850
(d) FSM Consulate - Honolulu	
(i) Personnel expenses.....	165,644
(ii) Travel	4,000
(iii) Contractual services, grants, subsidies, and contributions.....	119,600
(iv) Others	46,000
(e) FSM Embassy - Washington, D.C.	
(i) Personnel expenses.....	169,785

	(ii) Travel	15,000
	(iii) Contractual services, grants, subsidies, and contributions.....	491,000
	(iv) Others	60,000
	(f) FSM Embassy - Suva, Fiji	
	(i) Personnel expenses.....	126,359
	(ii) Travel	15,000
	(iii) Contractual services, grants, subsidies, and contributions.....	39,675
	(iv) Others	66,000
	(g) Division of American and European Affairs	
	(i) Personnel expenses.....	69,500
	(ii) Travel	-0-
	(iii) Contractual services, grants, subsidies, and contributions.....	\$ -0-
	(iv) Others	-0-
	(h) FSM Embassy - Tokyo, Japan, the sum of \$810,370, or so much thereof as may be necessary, for the purchase of 94,408,105 yen, to be allocated as follows:	
	(i) Personnel expenses.....	¥ 28,356,100
	(ii) Travel	3,098,900
	(iii) Contractual services, grants, subsidies, and contributions.....	56,662,105
	(iv) Others	6,291,000
	Any portion of the dollar sum appropriated herein that remains unused upon completion of this exchange transaction shall lapse immediately.	
	(i) United Nations Mission	
	(i) Personnel expenses.....	\$ 170,046
	(ii) Travel	37,300
	(iii) Contractual services, grants, subsidies, and contributions.....	243,320

(iv) Others	40,500
(3) Department of Finance	
(a) Administration	
(i) Personnel expenses.....	101,900
(ii) Travel	34,700
(iii) Contractual services, grants, subsidies, and contributions.....	\$ 1,000
(iv) Others	46,800
(b) Division of Automated Data Processing	
(i) Personnel expenses.....	53,400
(ii) Travel	4,300
(iii) Contractual services, grants, subsidies, and contributions.....	36,500
(iv) Others	26,300
(c) Division of Investment Management	
(i) Personnel expenses.....	70,600
(ii) Travel	14,400
(iii) Contractual services, grants, subsidies, and contributions.....	500
(iv) Others	4,884
(d) Division of Accounting	
(i) Personnel expenses.....	276,600
(ii) Travel	15,900
(iii) Contractual services, grants, subsidies, and contributions.....	29,400
(iv) Others	24,000
(e) Division of Revenue	
(i) Personnel expenses.....	351,000
(ii) Travel	32,300
(iii) Contractual services, grants, subsidies, and contributions.....	29,946

(iv) Others	\$ 29,540
(f) Division of Customs	
(i) Personnel expenses.....	291,800
(ii) Travel	9,000
(iii) Contractual services, grants, subsidies, and contributions.....	32,400
(iv) Others	34,400
(g) Division of Property & Supply	
(i) Personnel expenses.....	48,800
(ii) Travel	5,500
(iii) Contractual services, grants, subsidies, and contributions.....	400
(iv) Others	10,500
(4) Department of Resources and Development	
(a) Administration	
(i) Personnel expenses.....	110,400
(ii) Travel	35,600
(iii) Contractual services, grants, subsidies, and contributions.....	48,000
(iv) Others	16,000
(b) Division of Commerce and Industry	
(i) Personnel expenses.....	65,090
(ii) Travel	24,000
(iii) Contractual services, grants, subsidies, and contributions.....	101,166
(iv) Others	\$ 43,000
(c) Division of Agriculture	
(i) Personnel expenses.....	135,000
(ii) Travel	17,500
(iii) Contractual services, grants, subsidies, and contributions.....	1,260
(iv) Others	14,000
(d) Division of Marine Resources	

(i) Personnel expenses.....	62,600
(ii) Travel	21,800
(iii) Contractual services, grants, subsidies, and contributions.....	-0-
(iv) Others	11,200
(e) Division of Labor	
(i) Personnel expenses.....	74,500
(ii) Travel	19,400
(iii) Contractual services, grants, subsidies, and contributions.....	2,500
(iv) Others	7,000
(5) Department of Transportation	
(a) Administration	
(i) Personnel expenses.....	69,100
(ii) Travel	9,200
(iii) Contractual services, grants, subsidies, and contributions.....	2,000
(iv) Others	\$ 15,000
(b) Marine Transportation Division	
(i) Personnel expenses.....	99,300
(ii) Travel	14,400
(iii) Contractual services, grants, subsidies, and contributions.....	407,384
(iv) Others	2,500
(c) Civil Aviation Division	
(i) Personnel expenses.....	55,800
(ii) Travel	25,500
(iii) Contractual services, grants, subsidies, and contributions.....	25,000
(iv) Others	3,000
(d) Communication Division	
(i) Personnel expenses.....	40,600
(ii) Travel	16,300

(iii) Contractual services, grants, subsidies, and contributions.....	500
(iv) Others	4,180
(6) Department of Health Services	
(a) Administration	
(i) Personnel expenses.....	84,900
(ii) Travel	15,000
(iii) Contractual services, grants, subsidies, and contributions.....	5,000
(iv) Others	\$ 12,600
(b) Environmental & Community Services	
Division	
(i) Personnel expenses.....	192,100
(ii) Travel	11,700
(iii) Contractual services, grants, subsidies, and contributions.....	21,600
(iv) Others	10,000
(c) Preventive Health Services Division	
(i) Personnel expenses.....	72,200
(ii) Travel	-0-
(iii) Contractual services, grants, subsidies, and contributions.....	-0-
(iv) Others	-0-
(d) Medical Care Services Division	
(i) Personnel expenses.....	29,200
(ii) Travel	-0-
(iii) Contractual services, grants, subsidies, and contributions.....	-0-
(iv) Others	-0-
(7) Department of Education	
(a) Personnel expenses.....	156,341
(b) Travel	11,000
(c) Contractual services, grants,	

subsidies, and contributions.....	-0-
(d) Others	\$ 4,000

(8) Office of the Attorney General

(a) Administration

(i) Personnel expenses.....	69,600
(ii) Travel	9,900
(iii) Contractual services, grants, subsidies, and contributions.....	3,800
(iv) Others	21,500

(b) Division of Litigation

(i) Personnel expenses.....	111,000
(ii) Travel	18,700
(iii) Contractual services, grants, subsidies, and contributions.....	3,800
(iv) Others	2,400

(c) Division of Law

(i) Personnel expenses.....	154,600
(ii) Travel	34,300
(iii) Contractual services, grants, subsidies, and contributions.....	-0-
(iv) Others	2,250

(d) Division of Immigration

(i) Personnel expenses.....	323,500
(ii) Travel	6,800
(iii) Contractual services, grants, subsidies, and contributions.....	16,000
(iv) Others	\$ 52,950

(e) FSM National Police - (\$519,000 of the

funds appropriated for this Division shall be deemed to come from funds available under section 216(a)(1) of the Compact of Free Association)

(i) Personnel expenses.....	\$ 898,700
(ii) Travel	18,100
(iii) Contractual services, grants,	

subsidies, and contributions.....	80,000
(iv) Others	481,406
(v) Outer islands surveillance	30,000
(9) Office of the Public Defender	
(a) Personnel expenses.....	452,300
(b) Travel	28,900
(c) Contractual services, grants, subsidies, and contributions.....	16,500
(d) Others	38,600
(10) Office of the Budget	
(a) Administration	
(i) Personnel expenses.....	56,400
(ii) Travel	13,200
(iii) Contractual services, grants, subsidies, and contributions.....	1,000
(iv) Others	21,300
(b) Division of Budget Administration and Preparation	
(i) Personnel expenses.....	66,100
(ii) Travel	\$ 3,300
(iii) Contractual services, grants, subsidies, and contributions	-0-
(iv) Others	-0-
(c) Division of Administrative Management	
(i) Personnel expenses.....	36,300
(ii) Travel	2,300
(iii) Contractual services, grants, subsidies, and contributions	-0-
(iv) Others	-0-
(d) Division of Grants Management	
(i) Personnel expenses.....	40,500
(ii) Travel	2,300
(iii) Contractual services, grants, subsidies, and contributions	-0-

(iv) Others	-0-
 (11) Office of Planning and Statistics	
(a) Administration	
(i) Personnel expenses.....	41,000
(ii) Travel	5,400
(iii) Contractual services, grants, subsidies, and contributions	-0-
(iv) Others	3,000
(b) Division of Planning	
(i) Personnel expenses.....	33,400
(ii) Travel	\$ 3,500
(iii) Contractual services, grants, subsidies, and contributions	20,000
(iv) Others	3,000
(c) Division of Statistics	
(i) Personnel expenses.....	133,900
(ii) Travel	4,300
(iii) Contractual services, grants, subsidies, and contributions	-0-
(iv) Others	5,000
(d) Division of Construction Review	
(i) Personnel expenses.....	149,300
(ii) Travel	12,400
(iii) Contractual services, grants, subsidies, and contributions	-0-
(iv) Others	3,000
(e) Division of Maintenance	
(i) Personnel expenses.....	160,072
(ii) Travel	-0-
(iii) Contractual services, grants, subsidies, and contributions	0
(iv) Others	15,000

(12) Office of Administrative Services

(a) Administration	
(i) Personnel expenses.....	59,786
(ii) Travel	\$ 13,700
(iii) Recruitment and repatriation.....	126,000
(iv) Contractual services, grants, subsidies, and contributions	500
(v) Others	11,500
(vi) Staff housing.....	655,300
(b) Division of Personnel	
(i) Personnel expenses.....	57,200
(ii) Travel	3,000
(iii) Contractual services, grants, subsidies, and contributions	0
(iv) Others	2,000
(c) Division of Archives & Historic Preservation	
(i) Personnel expenses.....	60,700
(ii) Travel	-0-
(iii) Contractual services, grants, subsidies, and contributions	14,460
(iv) Others	1,800
(d) Division of Training	
(i) Personnel expenses.....	60,897
(ii) Travel	2,000
(iii) Contractual services, grants, subsidies, and contributions	-0-
(iv) Others	2,100

Section 2. Operating expenses of the Legislative Branch.

The sum of \$2,931,100, or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1998, for the operations of the Legislative Branch of the National Government of the Federated States of Micronesia during fiscal year 1998. The sum appropriated by this section shall be

apportioned as follows:

(1) Office of the Speaker and Members	
(a) Personnel expenses	\$ 400,100
(b) Travel	459,200
(funds may also be used for the chartering of vessels to outer islands)	
(c) Contractual services, grants, subsidies, and contributions.....	319,800
(d) Others	100,000
(2) Staff Offices	
(a) Personnel expenses	787,100
(b) Travel	124,000
(c) Recruitment and repatriation.....	30,000
(d) Contractual services, grants, subsidies, and contributions.....	112,000
(e) Others	158,300
(3) Kosrae Delegation Office	52,600
(4) Pohnpei Delegation Office	111,200
(5) Chuuk Delegation Office	
(a) At-Large	26,000
(b) Mortlocks delegation	\$ 26,000
(c) Northern Namoneas delegation	46,800
(d) Southern Namoneas delegation	26,000
(e) Faichuk delegation.....	26,000
(f) Northwest Islands delegation.....	26,000
(6) Yap Delegation Office	75,000
(7) Outlying islands travel	25,000

Section 3. Operating expenses of the National Judiciary.

The sum of \$886,928, or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1998, for the operations of the National Judiciary of the Federated States of Micronesia during fiscal year 1998. The sum appropriated by this section shall be apportioned as follows:

(1) Personnel expenses	\$ 558,628
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(2) Travel.....	95,400
(3) National Law Day.....	28,000
(4) Contractual services, grants, subsidies, and contributions.....	105,400
(5) Others	99,500

Section 4. Operating expenses of the Public Auditor. The sum of \$521,800, or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1998, for the operations of the Public Auditor's Office during fiscal year 1998. The sum appropriated by this section shall be apportioned as follows:

(1) Personnel expenses.....	\$ 343,000
(2) Travel	85,000
(3) Recruitment and repatriation.....	15,000
(4) Contractual services, grants, subsidies, and contributions.....	28,500
(5) Others	50,300

Section 5. Operating expenses of agencies of the National Government. The sum of \$1,571,315, or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1998, for the operations of independent agencies, commissions, authorities, boards, bureaus, and other organizations of the National Government of the Federated States of Micronesia during fiscal year 1998. The sum appropriated by this section shall be apportioned as follows:

(1) Micronesian Maritime Authority	
(a) Personnel expenses.....	\$ 181,465
(b) Travel	90,000
(c) Contractual services, grants, subsidies, and contributions.....	47,300
(d) Others	34,200
(2) Board of Regents - College of Micronesia-FSM	
(a) Personnel expenses.....	-0-
(b) Travel	36,900
(c) Contractual services, grants, subsidies,	

and contributions.....	\$	10,000
(d) Fund raising.....		15,000
(e) Others		15,040
(3) Federated States of Micronesia Coconut		
Development Authority		
(a) Personnel expenses.....		69,100
(b) Travel		20,000
(c) Contractual services, grants, subsidies,		
and contributions.....		26,000
(d) Others		11,500
(4) National Postal Service		
(a) Personnel expenses.....		468,600
(b) Travel		27,100
(c) Contractual services, grants, subsidies,		
and contributions.....		68,600
(d) Others.....		60,000
(5) FSM Banking Board		
(a) Personnel expenses.....		45,600
(b) Travel		18,000
(c) Contractual services, grants, subsidies,		
and contributions.....		11,900
(d) Others		13,510
(6) National Fisheries Corporation.....		
		301,500

Section 6. Energy budget. The sum of \$-0-, or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1998, to pay utility bills for National Government offices, operate and maintain standby generators, and establish energy conservation programs, including the purchase and installation of energy efficient air conditioners and other appliances for National Government buildings. The funds appropriated under this section shall be deemed to come from the funds available under section 214(b) of the Compact of Free Association.

Section 7. Operating expenses of the Telecommunications Corporation. The sum of \$882,000, or so much thereof as may be necessary, is hereby appropriated from

the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1998, for the operations of the Telecommunications Corporation of the Federated States of Micronesia during fiscal year 1998. The funds appropriated under this section shall be deemed to come from the funds available under section 215(a)(2) of the Compact of Free Association.

Section 8. Compact section 216(a)(2) programs. The sum of \$118,000, or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1998, for Compact section 216(a)(2) programs and projects of the National Government of the Federated States of Micronesia during fiscal year 1998. The funds appropriated under this section shall be deemed to come from the funds available under section 216(a)(2) of the Compact of Free Association. The sum appropriated by this section shall be apportioned as follows:

- (1) Teams of health specialists visiting the Federated States of Micronesia..... \$ 70,000
- (2) Enhancement of local capability to provide essential quality care in all FSM hospitals 48,000

Section 9. College of Micronesia-FSM. The sum of \$2,500,000, or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1998, to the College of Micronesia-FSM to defray costs associated with the instruction of students and the operations and maintenance of the College. Of the total funds appropriated under this section, \$800,000 shall be deemed to come from funds available under section 216(a)(3) of the Compact of Free Association.

Section 10. Post-secondary educational assistance. The sum of \$1,034,700, or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1998, for the purpose of providing post-secondary educational assistance. The funds appropriated under this section shall be deemed to come from funds available under section 216(a)(3) of the Compact of Free Association. The sum appropriated by this section shall be apportioned as follows:

- (1) Kosrae State \$ 128,661
- (2) Pohnpei State 288,003

(3)	Chuuk State	411,716
(4)	Yap State	161,320
(5)	Graduate student scholarships.....	45,000

Section 11. Other National Government programs, grants, subsidies, contributions, and refunds. The sum of \$3,932,468, or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1998, for special programs, grants, subsidies, contributions, and refunds of the National Government of the Federated States of Micronesia during fiscal year 1998. The sum appropriated by this section shall be apportioned as follows:

(1) Special programs:		
(a)	Trade, Training and Testing Program	\$ 289,800
(b)	FSM Aquaculture Center	121,300
(2) Subsidies and contributions:		
(a)	Forum Secretariat.....	35,000
(b)	Pacific Island Development Program	15,000
(c)	South Pacific Commission (SPC).....	30,000
(d)	South Pacific Regional Environmental Program (SPREP).....	7,375
(e)	United Nations Economic and Social Commission for Asia and the Pacific (ESCAP)	5,000
(f)	Forum Fisheries Agency (FFA)	21,000
(g)	United Nations Development Program (UNDP).....	3,000
(h)	United Nations Fund for Population Activity (UNFPA).....	3,000
(i)	United Nations Membership Fee for the FSM (UN)	180,000
(j)	East West Center	10,000
(k)	Pacific Asian Travel Association.....	\$ 5,000
(l)	Coordinating Committee for Offshore Minerals Prospecting (South Pacific)	8,000
(m)	Micronesia Legal Services Corporation	

(MLSC)		
	(i) Unrestricted contribution	150,000
	(ii) Legal education or training for FSM	
citizens		20,000
	(n) International Civil Aviation Organization	
(ICAO)		28,050
	(o) State Joint Law Enforcement	
	(i) Kosrae	70,000
	(ii) Pohnpei	140,000
	(iii) Chuuk	
	a) Statewide	60,000
	b) Mortlocks	20,000
	c) Southern Namoneas	20,000
	d) Faichuk	30,000
	e) Northern Namoneas	15,000
	f) Northwest Islands	15,000
	(iv) Yap	90,000
	(p) Aid to Non-public Schools	400,000
	(q) BYRD Scholarship Program	-0-
	(r) Financial Assistance for Students Studying	
at CMI and PCC		50,000
	(s) State judiciaries	
	(i) Kosrae	\$ 60,000
	(ii) Pohnpei	85,000
	(iii) Chuuk	
	a) Probation Officer's fiberglass	
boat, two engines and related costs		20,000
	b) Municipal judge training (no	
staff training)		20,000
	c) Training for state court justice	15,000
	d) Court computer equipment,	
repairs, maintenance, supplies, and other court expenses		35,000
	(iv) Yap	

a) General court assistance	45,000
b) Scholarship for Yapese law	
students.....	20,000
(t) Continental Airlines Scholarship.....	35,000
(u) Copra Subsidy	200,000
(v) World Health Organization (WHO)	41,385
(w) COM Treaty Obligation	25,000
(x) Micronesian Maritime Fisheries Academy	
(MMFA)	75,000
(y) Asia Pacific Telecommunity (APT)	9,000
(z) Plant Protection Program	60,000
(aa) National Board of Nursing	38,000
(bb) International Telecommunication	
Union (ITU).....	\$ 57,639
(cc) Pacific Islands Health Officer	
Associations (PIHOA)	50,000
(dd) Asian Pacific Coconut Community	10,200
(ee) National Close Up Local Program	60,719
(ff) Disaster Relief Fund (not for travel for	
State or National relief officials or for operations of National Disaster	
Control Office).....	500,000
(gg) World Meteorological Association	7,000
(hh) Rural Development (USDA)	
(i) Pohnpei.....	154,000
(ii) Kosrae	35,000
(iii) Chuuk	
a) Chuuk Housing Authority, for	
loan packaging and associated costs	25,000
b) Technical support staff and	
intra-state travel expenses.....	73,000
(iv) Yap	35,000
(ii) Financial Assistance to COM-FSM Students	
(i) Pohnpei.....	100,000

(ii) Chuuk	100,000
(iii) Kosrae.....	50,000
(iv) Yap	50,000

Section 12. Compact section 221(b) programs. The sum of \$370,524, or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1998, for Compact section 221(b) programs and projects of the National Government of the Federated States of Micronesia during fiscal year 1998. The funds appropriated under this section shall be deemed to come from funds available under section 221(b) of the Compact of Free Association. The sum appropriated by this section shall be apportioned as follows:

(1) Health Services programs:

(a) Professional support services	6,500
(b) Health planning & work force development.....	7,500
(c) Health and Vital statistics	9,600
(d) Tuberculosis prevention and control	8,000
(e) Leprosy prevention and control	8,000
(f) Leptospirosis control program	0
(g) Chronic disease prevention and control	-0-
(h) Family planning program.....	-0-
(i) Health education.....	4,000
(j) Immunization program.....	5,000
(k) Sexually transmitted disease.....	5,000
(l) Maternal and child health (MCH) services program.....	5,000
(m) Mental health services.....	14,000
(n) Substance abuse prevention and treatment.....	14,300
(o) AIDS prevention and control	6,000
(p) Child abuse and neglect program	\$ 9,200
(q) Tobacco prevention and control.....	4,900
(r) FSM food protection, inspection and certification	9,300

(s) Nutrition services program	8,100
(t) National women's interest program.....	16,400
(u) FSM National Youth Activities Program	12,800
(v) FSM Youth Leadership Conference.....	11,700
(w) FSM Boy Scouts Program	2,000
(x) FSM Sports Development Program	18,200
(2) Education programs:	
(a) FSM National standardized testing program.....	39,800
(b) Developing Education Ties to Economic Growth.....	24,646
(c) College Admission Test Counseling (CAT-C) Program	13,845
(d) Cultural Education.....	13,732
(e) National Education Standards	23,735
(f) Civic Education and FSM History Program.....	20,302
(g) Teacher Certification Program	17,464
(h) Teacher Child Parent Program	31,500
(i) Environmental Education and Sustainable Development Awareness Program	55,400

Section 13. Development budget - Appropriation. The sum of \$2,180,000, or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1998, for capital improvement and development programs and projects of the National Government of the Federated States of Micronesia during fiscal year 1998. Of the funds appropriated under this section, \$1,436,192 (for lines (1), (3) and (4)) shall be deemed to come from the capital account of the Compact of Free Association. The sum appropriated by this section shall be apportioned as follows:

(1) National staff upgrading program	
(a) Executive branch and agencies.....	\$ 100,000
(b) Congress.....	10,000
(c) Judiciary.....	20,000

(2) Tourism Development (Department of

Resources and Development).....	100,000
(3) Capital Complex Water and Sewer System	
Improvement	200,000
(4) Business Development Loan Fund	
	1,500,000
(5) Ponape Coconut Products, Inc.	
	250,000

Section 14. Employment ceilings. Subsection (1) sets forth the maximum number of positions that may be hired by branches and agencies of the National Government.

(1) Positions funded for fiscal year 1998.

Executive Branch

Office of the President	19
External Affairs.....	41
Finance	91
Resources and Development.....	32
Transportation.....	15
Health Services.....	23
Education	8
Attorney General.....	141
Public Defender	26
Budget Office	11
Office of Planning and Statistics	32
Administrative Services.....	14

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(2) The number of positions authorized applies individually to each of the departments and offices of the Executive and Legislative Branches, the National Judiciary, the Public Auditor, and to the agencies as provided in subsection (1) of this section, except that the President may transfer up to 12 positions between the departments and offices of the executive branch. This authorization of positions covers all permanent employees and all contract personnel whose employment extends for more than 90 days. No funds may be expended for unbudgeted positions.

Section 15. Reprogramming.

(1) The President may reprogram up to 10 percent to and from the funds appropriated to each department and office in section 1. The President or his designee may reprogram up to 15 percent to and from the funds appropriated to any division, and may reprogram up to 15 percent to and from each line within the budget of a division, within a department or office or its functional equivalent.

(2) The Speaker or his designee may reprogram up to 10 percent to and from the funds appropriated to each of the subsections in section 2, and may reprogram up to 15 percent to and from the funds appropriated in each of the lines within the subsections of section 2.

(3) The Chief Justice or his designee may reprogram up to 15 percent to and from the funds appropriated in each of the lines in section 3.

(4) The Public Auditor may reprogram up to 15 percent to and from the funds appropriated in each of the lines in section 4.

(5) Allottees of funds may reprogram up to 15 percent to and from the funds appropriated in each of the lines within the subsections of section 5.

(6) Notwithstanding the provisions of subsections (1) through (5) of this section, no funds may be reprogrammed to or from any personnel account (except as necessary in conjunction with a position transfer permitted under section 14(2) of this act) or subparagraph (a)(iii) of subsection (12) of section 1 of this act.

Section 16. Allotment and management of funds and lapse date. All funds appropriated by this act shall be allotted, managed, administered, and accounted for in accordance with applicable law, including, but not limited to, the Financial Management Act of 1979; PROVIDED, however, that the allottee of the funds

under section 7 of this act shall be the Secretary of the Department of Transportation and Communication; and PROVIDED FURTHER that the funds appropriated to Chuuk State under subsection (3) of section 10 of this act shall be retained in the General Fund of the Federated States of Micronesia until a scholarship recipient is identified to the President or the President's designee, at which time scholarship funds in the amount of the scholarship award shall be disbursed directly to the educational institution in the form of a two-party check payable to both the scholarship recipient and the educational institution he or she is attending; and PROVIDED FURTHER, that the allottee for the funds appropriated under subsection (2)(m)(ii) of section 11 of this act shall be Micronesian Legal Services Corporation; and PROVIDED FURTHER, that the allottees for the funds appropriated under subsection (2)(o) of section 11 of this act shall be the Governors of the respective States, and no funds appropriated under subsection (2)(o) of section 11 of this act shall be disbursed from the General Fund to the allottees unless the President certifies that the State involved has entered into a joint law enforcement agreement for the period of October 1, 1997, to September 30, 1998, with the National Government pursuant to chapter 12 of the title 12 of the Code of the Federated States of Micronesia; and PROVIDED FURTHER, that the allottees for the funds appropriated under subsection (2)(s) of section 11 of this act shall be the Chief Justices of the respective States; and PROVIDED FURTHER, that the allottee of the funds appropriated under subsection (2)(ii) of section 11 of this act shall be the President of the College of Micronesia - FSM, who shall not authorize release of funds to be used on behalf of a student until the President is satisfied that the student has exhausted all other sources of financial assistance; and PROVIDED FURTHER, that the allottee of the funds appropriated under subsection (1) of section 13 shall be the Director of the Office of Administrative Services. Each allottee shall be responsible for ensuring that these funds, or so much thereof as may be necessary, are used solely for the purpose specified in this act, and that no obligations are incurred in excess of the sum appropriated. The authority of the allottees to obligate funds appropriated by this act shall lapse as of September 30, 1998; PROVIDED, however, that the authority of the allottees to obligate funds appropriated by sections 7, 9, 10, 11(2)(w), 11(2)(ff) and 13 shall not lapse.

Section 17. Effective date. This act shall become law upon approval by the President of the Federated States of Micronesia or upon its becoming law without such approval.

July 22, 1997

/s/ Jacob Nena
Jacob Nena
President
Federated States of Micronesia