

AN ACT

To further amend Public Law No. 12-12, as amended, by further amending sections 2, 3, 13 and 16 to reallocate funds appropriated to the Office of the Public Defender for renovation of the Pohnpei Public Defender Office, to deappropriate funds from the dry-docking of the M.S. Caroline Islands, to appropriate \$50,000 from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 2002 to provide supplemental funding for the operations of the Legislative Branch, to change certain lapse dates, and for other purposes.

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

1           Section 1. Section 2 of Public Law No. 12-12, as amended by  
2 Public Laws Nos. 12-21 and 12-24, is hereby further amended to  
3 read as follows:

4           "Section 2. Operating expenses of the Executive Branch.  
5           The sum of \$14,306,725, or so much thereof as may be  
6           necessary, is hereby appropriated from the General Fund  
7           of the Federated States of Micronesia for the fiscal  
8           year ending September 30, 2002, for the operations of  
9           the Executive Branch of the National Government during  
10          fiscal year 2002. Of the total funds appropriated under  
11          this section, \$470,800 shall be deemed to come from the  
12          funds available for communications under section  
13          215(b) (2) of the Compact of Free Association. The sum  
14          appropriated by this section shall be apportioned as  
15          follows:

1           (1) Office of the President  
2           \$809,876, for the activities set forth in the  
3           performance budget pages A1.1 through A1.2 of the budget  
4           book.

5           (2) Department of Foreign Affairs

6                 (a) \$3,771,123, for the activities set forth in  
7           the performance budget pages A2.1 through A2.9 of the  
8           budget book.

9                 (b) Conditions on use of JCN funds. Funds  
10           appropriated under this subsection for Joint Committee  
11           on Compact Economic Negotiations (JCN) travel (\$50,000)  
12           and representation expenses (\$55,000) shall not be  
13           available for obligation or disbursement until:

14                     (i) funds appropriated for such purposes  
15           under the JCN budget have been exhausted;

16                     (ii) JCN has provided a written report to the  
17           Committee on External Affairs of the Congress of the  
18           Federated States of Micronesia, through its Chairman, on  
19           the use of funds already obligated or disbursed,  
20           including a description of such use and an allocation  
21           among the outputs for which it was used; and

22                     (iii) JCN has provided to said committee, in  
23           writing, signed by the JCN chairman and members, a  
24           detailed description of the planned use of the funds it  
25           is seeking to obligate or have disbursed.

1                   (c) Conditions of use of Washington D.C.  
2           Embassy/JCN Representation funds. \$50,000 of the funds  
3           appropriated under this subsection for representation  
4           shall be for meetings between members and staff of the  
5           U.S. Congress and members of the FSM Congress; PROVIDED  
6           however that up to \$20,000 of these funds may be  
7           reprogrammed for use by JCN for representation if all  
8           section 2(2)(b) representation funds have been exhausted  
9           and the requirements contained therein have been met.

10           (3) Department of Finance and Administration  
11           \$2,234,306, for the activities set forth in the  
12           performance budget pages A3.1 through A3.8 of the budget  
13           book.

14           (4) Department of Economic Affairs  
15           \$1,373,627, for the activities set forth in the  
16           performance budget pages A4.1 through A4.18 of the  
17           budget book.

18           (5) Department of Transportation, Communication and  
19           Infrastructure  
20           \$1,500,773, for the activities set forth in the  
21           performance budget pages 5.1 through 5.3 of the budget  
22           book. Of the total funds appropriated under this  
23           subsection, \$25,000 for a consultant in communications  
24           policy shall be deemed to come from funds available  
25           under section 215(a)(2) of the Compact of Free

1 Association for telecommunications.

2 (6) Department of Health, Education and Social Affairs  
3 \$980,543, for the activities set forth in the  
4 performance budget pages A6.1 through A6.19 of the  
5 budget book.

6 (7) Department of Justice  
7 \$3,078,213, for the activities set forth in the  
8 performance budget pages A7.1 through A7.6 of the budget  
9 book. Of the total funds appropriated, \$519,000 shall  
10 be deemed to come from funds available under section  
11 216(a) (1) of the Compact of Free Association for marine  
12 surveillance.

13 (8) FSM Public Defender  
14 \$558,264, for the activities set forth in the  
15 performance budget pages A8.1 through A8.2 of the budget  
16 book. The sum appropriated by this subsection shall be  
17 apportioned as follows:

18 (a) Activities set forth in the  
19 performance budget pages A8.1 through A8.2 of  
20 the budget book .....\$ 518,264

21 (b) Pohnpei Public Defender Office  
22 renovation ..... 40,000"

23 Section 2. Section 3 of Public Law No. 12-12, as amended by  
24 Public Laws Nos. 12-24 and 12-35, is hereby further amended to  
25 read as follows:

1           "Section 3. Operating expenses of the Legislative  
2           Branch. The sum of \$3,211,474, or so much thereof as  
3           may be necessary, is hereby appropriated from the  
4           General Fund of the Federated States of Micronesia for  
5           the fiscal year ending September 30, 2002, for the  
6           operations of the Legislative Branch of the National  
7           Government during fiscal year 2002 in order to achieve  
8           the activities set forth in the performance budget pages  
9           B.1 through B.3 of the budget book. Of the total funds  
10          appropriated under this section, \$50,000 shall be deemed  
11          to come from the funds available under section 215(b) (2)  
12          of the Compact of Free Association. The sum of \$460,000  
13          shall be deemed allocated for Speaker and Members'  
14          Travel, Line Item Budget Bla, page 1 of 6 of the  
15          Approved Budget book. The sum of \$490,000 shall be  
16          deemed allocated to Speaker and Members' Representation  
17          Fund - Members, Line Item Budget Bla, page 5 of 6 of the  
18          Approved Budget book."

19          Section 3. Section 13 of Public Law No. 12-12, as amended by  
20          Public Laws Nos. 12-21, 12-24 and 12-35, is hereby further amended  
21          to read as follows:

22          "Section 13. Capital and Human Resource Development.  
23          The sum of \$10,915,200, or so much thereof as may be  
24          necessary, is hereby appropriated from the General Fund  
25          of the Federated States of Micronesia for the fiscal

1 year ending September 30, 2002, for capital improvement,  
2 development programs and projects and human resource  
3 development. Of the total funds appropriated under this  
4 section, \$2,737,926 shall be deemed to come from the  
5 capital account funds available under section 211 of the  
6 Compact of Free Association, and \$1,387,700 from the  
7 funds available under section 216(a)(3) of the Compact  
8 of Free Association. The sum appropriated under this  
9 section shall be apportioned as follows:

10 (1) College of Micronesia-FSM

11 (a) Operations of the College of  
12 Micronesia-FSM, including planning  
13 and construction of new facilities .....\$ 3,067,000

14 (b) Student assistance for tuition  
15 and housing to be deemed as deriving from  
16 section 216(a)(3) of the Compact of Free  
17 Association PROVIDED that these funds shall  
18 be used strictly for direct financial  
19 assistance to COM-FSM students, and PROVIDED  
20 FURTHER that the co-payment by the student or  
21 the student's parent must be proportionally  
22 the same for each in relation to their total  
23 obligation, and PROVIDED FURTHER that only  
24 students maintaining a passing grade point  
25 average will be eligible to receive these

1 funds. The funds appropriated under this  
 2 subsection shall be apportioned as follows:

3	(i) General assistance .....	295,000
4	(ii) Assistance for courses on	
5	Micronesian Government and Politics .....	5,000
6	(c) COM-FSM Multi-purpose gymnasium	
7	furnishing .....	\$ 60,000
8	(d) COM-Faculty office furnishing ...	40,000
9	(e) Chuuk State Congressional	
10	Projects:	
11	(i) E.D. No. 1 public projects...	180,000
12	(ii) E.D. No. 2:	
13	a) Road improvements .....	90,000
14	b) Economic assistance grants	40,000
15	c) Social assistance grants	20,000
16	d) Student assistance grants	10,000
17	e) Northern Namoneas	
18	Development Authority operations .....	20,000
19	(iii) E.D. No. 3:	
20	a) Educational grant	
21	assistance.....	50,000
22	b) Other social and economic	
23	project grants.....	110,000
24	c) Legal fees .....	20,000
25	(iv) E.D. No. 4:	

1	a) Japan-Micronesia	
2	Friendship Association .....	40,000
3	b) Project coordinator's	
4	office for Tolensom Development Authority ..	40,000
5	c) Post-secondary student	
6	assistance grants .....	\$ 10,000
7	d) Legal fees .....	10,000
8	e) Repair of Neuut bridge	20,000
9	f) Other public social and	
10	economic projects .....	60,000
11	(v) E.D. No. 5 Houk Airport	
12	Project Grant .....	180,000
13	(vi) State-wide public projects .	100,000
14	(f) FSM Fisheries and Maritime	
15	Institute .....	663,000
16	(2) Post-secondary educational assistance	
17	to be deemed as deriving from section	
18	216(a) (3) of the Compact of Free Association:	
19	(a) Kosrae State .....	126,661
20	(b) Pohnpei State .....	288,003
21	(c) Chuuk State Scholarships,	
22	PROVIDED that the selection committee is	
23	required to provide to the State Scholarship	
24	Coordinator, copies of all documents which	
25	would provide details of the applicants, their	



1           grade point average, the courses studied and  
 2           the institution attended, as well as names of  
 3           those applicants who are selected to receive a  
 4           scholarship and the amount proposed. This  
 5           requirement must be satisfied prior to the  
 6           release of scholarship funds to the students  
 7           selected.

8	(i) General assistance .....	\$ 271,716
9	(ii) Scholarships for	
10	student's with the highest grade point	
11	averages .....	140,000
12	(d) Yap State .....	161,320
13	(e) Graduate and Professional School	
14	Scholarships-all States .....	100,000
15	(3) National Staff Upgrading .....	-0-
16	(4) FSM Capitol complex renovation .....	200,000
17	(5) Micronesian Entrepreneur Development	
18	Center .....	60,000
19	(6) FSM Development Bank - Development	
20	Loan Program .....	1,000,000
21	(7) Pohnpei sports facilities improvement	-0-
22	(8) Yap sports facilities completion .....	620,000
23	(9) FSM Trust Fund, PROVIDED that these	
24	funds shall be placed in the FSM Trust	
25	Fund until such time as an 'S' Account	

1           within the FSM Trust Fund is established  
 2           by law, at which time the funds will be  
 3           transferred to this account. If no 'S'  
 4           Account is established by law, the funds  
 5           shall remain in the FSM Trust Fund until  
 6           such time as they are appropriated by law . \$     2,015,000

7           (10) FSM Consul General Guam residence	
8           construction .....	190,000
9           (11) National Visitors Bureau .....	512,500
10          (12) Chuuk State Multi-purpose Gymnasium ..	100,000"

11          Section 4. Section 16 of Public Law No. 12-12, as amended by  
 12 Public Laws Nos. 12-21 and 12-24, is hereby further amended to  
 13 read as follows:

14           "Section 16. Allotment and management of funds and  
 15           lapse date.

16           (1) *General Provisions.*

17           (a) All funds appropriated by this act shall be  
 18 allotted, managed, administered, and accounted for in  
 19 accordance with applicable law, including, but not  
 20 limited to, the Financial Management Act of 1979;

21           (b) The allottees shall be responsible for  
 22 ensuring that these funds, or so much thereof as may be  
 23 necessary, are used solely for the purpose specified in  
 24 this act, and that no obligations are incurred in excess  
 25 of the sum appropriated.

1           (2) *Allottees.* The allottees of the funds  
2 appropriated by this act are as follows:

3           (a) section 2 - the allottee of these funds shall  
4 be the President of the Federated States of Micronesia;

5           (b) section 3 - the allottee of these funds shall  
6 be the Speaker of the Congress of the Federated States  
7 of Micronesia;

8           (c) section 4 - the allottee of these funds shall  
9 be the Chief Justice of the Supreme Court of the  
10 Federated States of Micronesia;

11           (d) section 5 - the allottee of these funds shall  
12 be the Public Auditor;

13           (e) section 6 through 13 - the allottee of these  
14 funds shall be the President of the Federated States of  
15 Micronesia or his designee; EXCEPT THAT for the  
16 following subsections of section 6 through 13 of this  
17 act, the allottees shall be:

18           (i) section 8, subsection (5) - the allottee  
19 of these funds shall be the Governor of the respective  
20 State, or his designee;

21           (ii) section 8, subsection (6)(a) through  
22 (6)(d) - the allottee of these funds shall be the  
23 Secretary of the Department of Transportation,  
24 Communication and Infrastructure;

25           (iii) section 8, subsection (8)(a) through

1 (8) (d) - the allottee of these funds shall be the Chief  
2 Justice of the respective State;

3 (iv) section 8, subsection (8) (g) - the  
4 allottee of these funds shall be the President of the  
5 Federated States of Micronesia, or his designee, until  
6 such time as the Constitutional Convention convenes and  
7 selects a President and then the allottee of these funds  
8 shall be the President of the Constitutional Convention.

9 (v) section 10, subsection (2) (b) - the  
10 allottee of these funds shall be the Speaker of the  
11 Congress of the Federated States of Micronesia, or his  
12 designee;

13 (vi) section 10, subsection (2) (c) - the  
14 allottee of these funds shall be the Chief Justice of  
15 the Supreme Court of the Federated States of Micronesia;

16 (vii) section 13, subsection (1) (a) through  
17 (1) (f) - the allottee of these funds shall be the  
18 President of the College of Micronesia-FSM, EXCEPT THAT  
19 the allottee of the funds appropriated under subsection  
20 (1) (e) of section 13 shall be the Executive Director of  
21 the Chuuk State Commission on Improvement Projects;

22 (viii) section 13, subsections (2) (a) through  
23 (2) (d) - the allottee of these funds shall be the  
24 Governor of the respective State.

25 (ix) section 13, subsection (13) - the

1 allottee of these funds shall be the Governor of Chuuk  
2 State.

3 (3) *Lapse dates.* The authority of the allottees to  
4 obligate funds appropriated by this act shall lapse as  
5 follows:

6 (a) the authority of the allottees to  
7 obligate the funds appropriated by section 13 of this  
8 act shall lapse as of September 30, 2003, EXCEPT THAT  
9 the authority of the allottees to obligate the funds  
10 appropriated by section 13, subsections (2) and (8)  
11 shall not lapse;

12 (b) the authority of the allottees to  
13 obligate the funds appropriated by section 2, subsection  
14 (8)(b) shall not lapse; and

15 (c) the authority of the allottees to  
16 obligate all remaining funds appropriated by this act  
17 shall lapse as of September 30, 2002."

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Section 5. 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 26, 2002

Redley Killion for  
Leo A. Falcam  
President  
Federated States of Micronesia

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