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A BILL FOR AN ACT

To further amend title 55 of the Code of the Federated States of Micronesia, as amended, by further amending section 345, as established by Public Law No. 10-5, for the purpose of authorizing a further exceptional redesignation of certain Compact inflation adjustment funds from capital to current during the fiscal year, and for other purposes.

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

1 Section 1. Section 345 of title 55 of the Code of the
2 Federated States of Micronesia, as established by Public Law
3 No. 10-5, is hereby further amended to read as follows:

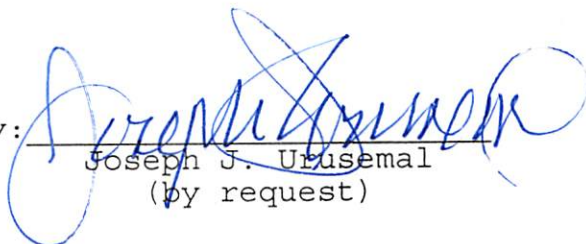
4 "Section 345. Exceptional Redesignation of Funds.

5 Notwithstanding sections 306 and 335 of this chapter,
6 the State of Pohnpei shall be permitted to
7 redesignate to the current account that portion of
8 its fiscal year 1997 and 1998 Compact block grant
9 section 217 (inflation adjustment) funds previously
10 designated to the capital account; provided, however,
11 that with this one exception, at least 40% of Compact
12 block grant section 217 (inflation adjustment) funds
13 in each fiscal year must have been and continue to be
14 designated to the capital account. The designation
15 of block grant section 217 (inflation adjustment)
16 funds shall follow the formula for the base amount of
17 section 211 block grant funds under subparagraph (b)
18 of paragraph 3 of the Memorandum of Understanding on
19 the Division of Grant Assistance."

20 Section 2. This act shall become law upon approval by the
21 President of the Federated States of Micronesia or upon its
22 becoming law without such approval.

23
24 Date: 5/25/98

Introduced by:


Joseph J. Urusemal
(by request)