AN ACT

To further amend title 30 of the Code of the Federated States of Micronesia, as amended, by enacting a new section 202 in order to allow the Federated Development Authority to authorize the FSM Development Bank to turn over to the States unexpended money in the State subaccounts of the Investment Development Fund under certain circumstances, and to cease to administer such funds, and for other purposes.

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

Section 1. Title 30 of the Code of the Federated States of Micronesia, as amended, is hereby further amended by adding a new section 202 to read as follows:

"Section 202. Distribution of funds in State earmarked subaccounts to the States.

(1) Notwithstanding any provision of Public Law No. 5-122, as amended, if requested by the Governor of a State, the Federated Development Authority shall direct the FSM Development Bank to distribute to that State any funds not yet obligated remaining in its State-earmarked subaccount.

(2) The FDA and the FSM Development Bank shall cease to administer any portions of the Investment Development Fund distributed in accordance with subsection (1) of this section. The FDA and the FSM Development Bank shall administer all funds not distributed in accordance with subsection (1) of this section, and any future
deposit into a State-earmarked subaccount, in accordance with Public Law No. 5-122."

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

___________________________, 2003

without signature

Leo A. Falcam
President
Federated States of Micronesia