A BILL FOR AN ACT

To further amend Public Law No. 11-59, as amended, by amending section 1 to change the use of certain funds for Kosrae State, by amending section 7 to change the allottee and lapse date for certain funds appropriated for Kosrae State, and for other purposes.

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

1 Section 1. Section 1 of Public Law No. 11-59, as amended by Public Laws Nos. 11-69, 11-79 and 12-33, is hereby further amended to read as follows:

"Section 1. The sum of $350,000, 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, 2001, to provide funds for infrastructure and other projects and programs in the State of Kosrae. The funds appropriated under this section shall be apportioned as follows:

[(1) Youth conferences..................$ 40,000]
(1)[(2)] Shipping subsidy...............[15,000] $ 6,476
(2)[(3)] Kosrae Visitors Bureau, PROVIDED that no more than $10,000 of this appropriation may be used for the purchase of a vehicle .. 17,000
(3)[(4)] Medical School Scholarships for Kosraen students studying in Fiji ........... 10,000
(4)[(5)] Senior citizens social activities ...$ 5,000
### (5) Lelu Town Government

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Wuntan shoreline protection project</td>
<td>15,000</td>
</tr>
<tr>
<td>(b) Basketball court</td>
<td>15,000</td>
</tr>
<tr>
<td>(c) Equipment parts</td>
<td>10,000</td>
</tr>
<tr>
<td>(d) Beautification projects</td>
<td>12,000</td>
</tr>
<tr>
<td>(e) Other development projects</td>
<td>8,000</td>
</tr>
<tr>
<td>(f) Municipal Office operations grant to assist</td>
<td>4,000</td>
</tr>
<tr>
<td>with the administrative cost of implementing</td>
<td></td>
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<tr>
<td>projects within this subsection</td>
<td></td>
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</tbody>
</table>

### (6) Tafunsak Municipal Government

<table>
<thead>
<tr>
<th>Description</th>
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</tr>
</thead>
<tbody>
<tr>
<td>(a) Water systems</td>
<td>22,000</td>
</tr>
<tr>
<td>(b) Construction and maintenance of access roads</td>
<td>20,000</td>
</tr>
<tr>
<td>(c) Beautification projects</td>
<td>8,000</td>
</tr>
<tr>
<td>(d) Other development projects</td>
<td>9,000</td>
</tr>
<tr>
<td>(e) Municipal Office operations grant to assist</td>
<td>4,000</td>
</tr>
<tr>
<td>with the administrative cost of implementing</td>
<td></td>
</tr>
<tr>
<td>projects within this subsection</td>
<td></td>
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</tbody>
</table>

### (7) Malem Municipal Government

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Tennis Court</td>
<td>15,000</td>
</tr>
</tbody>
</table>
| (b) Extension and upgrading of Malem
inner roads ........................................... $ 40,000
(c) Program for June 6th festivities and celebration ........................................... 4,000
(d) Municipal Office operations
grant to assist with the administrative
cost of implementing projects within this
subsection ........................................... 4,000

(8) [9] Utwe Municipal Government
(a) Baseball field
extension ........................................... 12,000
(b) Upgrading or maintenance of farm
roads ................................................. 20,000
(c) Equipment maintenance and
parts ................................................. 7,000
(d) Farm assistance projects ........ 4,000
(e) Project grant to Municipal
Government for land acquisition or lease
of land for existing Municipal Office
Building ........................................... 11,000
(f) Municipal Office operations
grant to assist with the administrative
cost of implementing projects within this
subsection ........................................... 4,000

(9) [10] Renovation of Kosrae Delegation Office
10,000

(10) [11] Shipping subsidy ........................................... $ 5,000
Section 2. Section 7 of Public Law No. 11-59, as amended by Public Laws Nos. 11-69, 11-79, 12-7 and 12-33, 12-46, 12-64, 12-71 and 13-2, is hereby further amended to read as follows:

"Section 7. Allotment and management of funds and lapse date.

(1) 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. The allottee of the funds appropriated under subsection (1) of section 1 of this act shall be the [Chairman of the Coordination Committee of the Kosrae State 2001 Summer Youth Conference] President of the Federated States of Micronesia. The allottee of the funds appropriated under subsections (2), [(4) (3), [(5) (4), [(10) (9) and [(11) (10) of section 1 of this act shall be the Secretary of the Department of Finance and Administration, or his designee. The allottee of the funds appropriated under subsection [(3) (2) of section 1 and the funds appropriated under section 6 of this act shall be the Governor of the State of Kosrae, or his designee. The allottees of the funds appropriated under subsections [(6) (5) through [(9) (8) of section 1 of this act shall be the Mayors of the respective towns or municipalities. The allottee of the funds appropriated
under sections 2 and 5 of this act shall be the 
President of the Federated States of Micronesia, or his 
designee. The allottee of the funds appropriated under 
section 3 of this act shall be the Chuuk State 
Commission on Improvement Projects, EXCEPT THAT the 
allottee of the funds appropriated under subsection (6) 
of section 3 of this act shall be the Northwest Project 
Coordinator and PROVIDED THAT, for funds appropriated 
under subsection (5) of section 3 of this act, the 
allottee shall follow the procedures set forth in 
subsection (3) of this section 7. The allottee of the 
funds appropriated under subsections (1) through (13) 
and subsection (15) of section 4 of this act shall be 
the Governor of the State of Yap, or his designee. The 
allottee of the funds appropriated under subsection (14) 
of section 4 of this act shall be the Speaker of the 
Congress of the Federated States of Micronesia, or his 
designee. The allottees shall be responsible for 
ensuring that the funds appropriated by this act, 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.

(2) The authority of the allottees to obligate funds 
appropriated by this act shall lapse as of September 30,
2005; EXCEPT THAT the authority of the allottee to
obligate funds appropriated under subsections (1) and (10) of section 1 of this act
shall not lapse.

(3) Prior to any obligation or disbursement of funds
appropriated under subsection (5) of section 3 of this
act, the allottee shall, by written notice to the mayor
of each municipality in Election District No. 4 of Chuuk
State, inform each municipality of the amount of funds
available for allotment in Election District No. 4 and
invite requests for project funding from each
municipality. Not less than thirty (30) days nor more
than sixty (60) days after delivering such notice, the
allottee shall convene and chair a panel consisting of
all the Mayors of Election District No. 4 or their
designees, who shall review the requests for project
funding and determine, by majority vote, which
project(s) shall be recommended to the allottee for
funding. The allottee shall not have a vote except in
the event of a tie. In the event of a tie, the
Executive Director of the allottee, or his designee,
shall cast the deciding vote. The allottee's designee
shall not be a resident or former resident of Election
District No. 4. Subject to relevant law and
regulations, the allottee shall follow the
recommendations of the panel."

Section 3. This act shall become law upon approval by the President of the Federated States of Micronesia or upon its becoming law without such approval.

Date: 8/30/04  Introduced by: /s/ Claude H. Phillip

Claude H. Phillip