A BILL FOR AN ACT

To further amend Public Law No. 13-46, as amended, by amending sections 2, 3, 4, 5, 7, 8, and 9 thereof for the purpose of appropriating an additional sum of $1,819,162 from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 2005, by repealing section 10, by amending section 12, and for the other purposes.

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

Section 1. Section 2 of Public Law No. 13-46, as amended by Public Law No. 13-62, is hereby further amended to read as follows:

"Section 2. Operating expenses of the Executive Branch. The sum of [[$13,482,522]] $13,841,522, 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, 2005, for the operations of the Executive Branch of the National Government during fiscal year 2005. The sum appropriated by this section shall be apportioned as follows:

(1) Office of the President
$670,864, for the activities set forth in the performance budget pages 1 through 2 of the budget book. Of the funds appropriated, $35,000 shall be deemed to come from carryover funds available under section 215(a)(2) of Compact I for communications.

(2) Department of Foreign Affairs
$3,397,792, for the activities set forth in the performance budget pages 20 through 24 of the budget book. Of the funds appropriated, $141,800 shall be deemed to come from carryover funds available under section 215(a)2 of Compact I for communications.

(3) Department of Finance and Administration
[$2,795,932] $2,835,932, for the activities set forth in the performance budget pages 73 through 77 of the budget book, provided that $500,000 of this amount shall be used to fund a portion of the deficit recorded by the National Government at the close of fiscal year 2003, and further provided that said sum shall not be applied to the deficit until the Department has reported to Congress under oath as to the accounts in deficit, the amount of the deficit in each account, and the account(s) to which the $500,000 will be applied. Of the funds appropriated, $46,914 shall be deemed to come from carryover funds available under section 215(a)2 of Compact I for communications.

(4) Department of Economic Affairs
$1,071,353, for the activities set forth in the performance budget pages 126 through 132 of the budget book. Of the funds appropriated, $29,381 shall be deemed to come from carryover funds available under section 215(a)2 of Compact I for communications.
(5) Department of Transportation, Communication and Infrastructure $1,131,922, for the activities set forth in the performance budget pages 183 through 185 of the budget book. Of the funds appropriated, $20,000 shall be deemed to come from carryover funds available under section 215(b)2 of Compact I for communications.

(6) Department of Health, Education and Social Affairs $1,476,808, for a portion of the activities set forth in the performance budget pages 210 through 216 of the budget book. Of the total funds appropriated, $475,200 shall be deemed to come from funds available under the education sector of the Amended Compact, $763,234 from the health sector, and $111,421 from the environment sector.

(7) Department of Justice $2,382,338 for the activities set forth in the performance budget pages 339 through 342 of the budget book provided that no more than $31,000 of this amount may be expended on fuel oil for National Police Patrol boats until the Department has submitted to Congress an accounting concerning the use of fuel oil for this purpose in fiscal year 2004, including a description of each trip taken and the amount and cost
of fuel used for each trip. Of the funds appropriated, $37,000 shall be deemed to come from carryover funds available under section 215(b)2 of Compact I for communications, 48,480 from carryover funds available under section 216(a)1 of Compact I for Maritime Surveillance, and $47,486 from carryover funds available under 216(b) of Compact I for Maritime Surveillance.

(8) FSM Public Defender Office

[$555,513] $661,513 for the activities set forth in the performance budget pages 372 through 373 of the budget book. Of the total funds appropriated, $9,800 shall be deemed to come from carryover funds available under section 215(b)2 of Compact I for communications."

Section 2. Section 3 of Public Law No. 13-46, as amended by Public Law No. 13-62, is hereby amended to read as follows:

"Section 3. Operating expenses of the Legislative Branch. The sum of $2,958,077, 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, 2005, for the operations of the Legislative Branch of the National Government during the fiscal year ending September 30, 2005, for the operational of the Legislative Branch of the National Government during fiscal year 2005, in
order to achieve the activities set forth in the performance budget pages 380 through 381 of the budget book. Of the funds appropriated, $40,000 shall be deemed to come from carryover funds available under section 215(b)2 of Compact I for communications."

Section 3. Section 4 of Public Law No. 13-46 is hereby amended to read as follows:

"Section 4. Operating expenses of the National Judiciary Branch. The sum of $1,191,055, 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, 2005, for the operations of the Judiciary Branch of the National Government during fiscal year 2005 in order to achieve the activities set forth in the performance budget pages 406 through 408 of the budget book. Of the funds appropriated, $45,000 shall be deemed to come from carryover funds available under section 215(b)2 of Compact I for communications."

Section 4. Section 5 of Public Law No. 13-46 is hereby amended to read as follows:

"Section 5. Operating expenses of the Public Auditor Office. The sum of $670,028, 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, 2005, for the
operations of the Office of the FSM Public Auditor
during fiscal year 2005 in order to achieve the
activities set forth in the performance budget page 417
of the budget book. All funds appropriated herein shall
be deemed to come from funds available under the
capacity building sector of the Amended Compact, except
that $107,000 shall be funded from domestic revenues and
applied to the cost of the annual Single Audit."

Section 5. Section 7 of Public Law No. 13-46 is hereby
amended to read as follows:

"Section 7. Special Programs. The sum of [§562,949]
§587,949, 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, 2005, for the following special
programs during fiscal year 2005. The sum appropriated
by this section shall be apportioned as follows:

(1) FSM Aquaculture Center

$91,833 for the activities set forth in the performance
budget page 467 of the budget book. Of the funds
appropriated, $5,000 shall be deemed to come from
carryover funds available under section 215(b)2 of
Compact I for communications.

(2) Office of the National Election Director
[$456,116] $481,116 for the activity set forth in the performance budget page 473 of the budget book. Of the funds appropriated, $7,140 shall be deemed to come from carryover funds available under section 215(b)2 of Compact I for communications.

(3) National Authorizing Committee (APU/EU/Cotonou Agreement) $15,000, for the activity set forth in the performance budget page 481 of the budget book."

Section 6. Section 8 of Public Law No. 13-46 is hereby amended to read as follows:

"Section 8. Grants, Subsidies and Contributions.

The sum of [$1,689,691] $2,541,253, 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, 2005, for the following grants, subsidies and contributions during fiscal year 2005. The sum appropriated by this section shall be apportioned as follows:

(1) Office of the President
   (a) Disaster Assistance and Emergency Fund Matching ......................$ 200,000

(2) Department of Foreign Affairs
   (a) Forum Secretariat ................. 35,000
   (b) The Pacific Community ..........$ 17,000
   (c) United Nations Economic and Social
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<tr>
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<th>Description</th>
<th>Amount</th>
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<tr>
<td>1</td>
<td>Commission for Asia and the Pacific (ESCAP)</td>
<td>5,000</td>
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<td>2</td>
<td>(d) United Nations Membership Fee</td>
<td>60,000</td>
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<td>3</td>
<td>(e) East-West Center</td>
<td>10,000</td>
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<td>4</td>
<td>Department of Economic Affairs</td>
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<td>5</td>
<td>(a) Pacific Islands Development Program</td>
<td>15,000</td>
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<td>6</td>
<td>(b) Forum Fisheries Agency (FFA)</td>
<td>21,000</td>
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<tr>
<td>7</td>
<td>(c) United Nations Development Program</td>
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<td>8</td>
<td>(UNDP)</td>
<td>3,000</td>
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<tr>
<td>9</td>
<td>(d) Coordinating Commission for Offshore Mineral Prospecting (CCOMP)</td>
<td>15,000</td>
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<td>10</td>
<td>(e) Pacific Asia Travel Association</td>
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<td>11</td>
<td>(PATA)</td>
<td>5,000</td>
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<tr>
<td>12</td>
<td>(f) United Nations Environmental Protection Agency (UNPA)</td>
<td>600</td>
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<tr>
<td>13</td>
<td>(g) Western Forestry Leadership Coalition</td>
<td>500</td>
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<td>14</td>
<td>(h) Seaframe Project</td>
<td>1,500</td>
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<td>15</td>
<td>(i) Food Agriculture Organization (FAO)</td>
<td>4,700</td>
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<tr>
<td>16</td>
<td>(j) Household and income survey</td>
<td>75,562</td>
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<td>17</td>
<td>Department of Health, Education and Social Affairs</td>
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<td>18</td>
<td>(a) United Nations Funds for Population Activity</td>
<td>3,000</td>
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<td>19</td>
<td>(b) South Pacific Regional Environmental Program (SPREP)</td>
<td>7,375</td>
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<tr>
<td>20</td>
<td>(c) Aid to Non-Public Schools</td>
<td>300,000</td>
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(d) Financial Assistance for FSM Students at College of Marshall Islands (CMI) and Palau Community College (PCC), provided that all funds appropriated herein shall be deemed to come from carryover funds available under the Special Block Grant section 221(b) of Compact I for Health and Education ............................... 50,000

(e) World Health Organization (WHO) Membership Fee, provided that all funds appropriated herein shall be deemed to come from carryover funds available under section 216(a)2 of Compact I for health and medical program ... 41,385

(f) National Board of Nursing, provided that funds appropriated herein shall be deemed to come from carryover funds available under the Special Block Grant section 221(b) of Compact I for Health and Education ......................... 38,000

(g) Pacific Islands Health Officers Association (PIHOA), provided that all funds appropriated herein shall be deemed to come from carryover funds available under section 216(a)2 of Compact I for health and medical programs ......................... 20,000

(h) National Close-Up Local Program $ 64,000

(i) FSM Amateur Sports Association .. 20,000
(j) College of Micronesia Board, provided that all funds appropriated herein shall be deemed to come from carryover funds available under Special Block Grant section 221(b) of Compact I for Health and Education ............... 5,000

(k) Association of Territorial Health Association, provided that all funds appropriated herein shall be deemed to come from carryover funds available under Special Block Grant section 216(b)2 of Compact I for health and medical programs ............. 2,000

(l) FSM Red Cross, provided that all funds appropriated herein shall be deemed to come from carryover funds available under Special Block Grant section 216(a)2 of Compact I for health and medical programs ............... 64,000

(m) United National Economic and Social Cooperation (UNESCO) ..................... 13,941

(n) FSM Games .............................. 100,000

[4] Department of Transportation,
Communication and Infrastructure

(a) Asia Pacific Telecommunity ...... 7,640

(b) International Telecommunication Union (ITU) ..............................................$ 55,000

(c) International Civil Aviation
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<td>1</td>
<td>Organization</td>
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<td>2</td>
<td>(d) Micronesian Shipping Commission..</td>
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<td>3</td>
<td>(e) Utilities for FSM Capital, provided that of the funds appropriated herein,</td>
<td>0-21,442</td>
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<td>4</td>
<td>shall be deemed to come from carryover funds available under Section 214(b)</td>
<td>300,000</td>
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<td>5</td>
<td>of Compact I for energy</td>
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<tr>
<td>6</td>
<td>(f) Site clearance for Tuna Commission and Branch Head residence</td>
<td>460,000</td>
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<td>7</td>
<td>Coconut Development Authority</td>
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<td>8</td>
<td>(a) Copra Subsidy</td>
<td>75,000</td>
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<td>9</td>
<td>(b) Asia Pacific Coconut Community...</td>
<td>15,500</td>
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<td>10</td>
<td>Other Grants, Subsidies and Contributions</td>
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<td>11</td>
<td>(a) Kosrae Judiciary</td>
<td>37,500</td>
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<td>12</td>
<td>(b) Pohnpei Judiciary</td>
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<td>13</td>
<td>(c) Chuuk Judiciary</td>
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<tr>
<td>14</td>
<td>(d) Yap Judiciary</td>
<td>35,000</td>
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<td>15</td>
<td>(e) Micronesian Legal Services (MLSC)</td>
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<td>16</td>
<td>(f) COM Treaty Obligations</td>
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<td>17</td>
<td>(g) State Law Enforcement</td>
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<td>18</td>
<td>(h) ACP/EU Membership Fee</td>
<td>8,000</td>
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<td>19</td>
<td>(i) Western and Central Pacific Tuna, Management Commission membership fee.</td>
<td>16,000</td>
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</table>

Section 7. Section 9 of Public Law No. 13-46 is hereby amended to read as follows:

The sum of [$6,538,287] $7,116,887, 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, 2005, for the following capital improvements, development programs and projects and human resource development. The sum appropriated under this section shall be apportioned as follows:

(1) College of Micronesia-FSM

   (a) Operations of the College of Micronesia-FSM, including planning, construction and maintenance of college facilities. All funds appropriated herein shall be deemed to come from funds available under the education sector of the Amended Compact .........................$ 3,856,067

   (b) Student assistance for tuition and housing, COM-FSM, provided that all of the funds appropriated herein shall be deemed to come from carryover funds available under section 216(a)(3) of Compact I for postsecondary scholarships .............. 190,000

   (c) COM-FSM Yap Campus Facility, PROVIDED THAT funds appropriated herein shall be deemed to come from funds
available under the infrastructure development sector of the Amended Compact.

(2) FSM Fisheries and Maritime Institute, including operations, planning, training, and construction and maintenance of facilities and equipment. Of this amount $180,050, shall be deemed to come from funds available under the education sector of the Amended Compact.

(2) National Staff Upgrading, PROVIDED THAT funds appropriated herein shall be deemed to come from funds available under the capacity building sector of the Amended Compact.

(3) FSM Visitor Bureau

(4) Economic Statistics Unit Strengthening

(5) Crop Production Improvement

(6) Public Enterprise Privatization

(7) 2005 World Exposition (Japan)

(8) FSM Development Bank - Business Development Loan Program

(9) MS Caroline Voyager Drydocking

(10) Patrol boats slipping

[11] Project Management Unit (PMU), PROVIDED THAT
the sum appropriated in this line item shall be deemed to come from funds available under the infrastructure development sector of the Amended Compact . . . 250,000"

Section 8. Section 10 of the Public Law No. 13-46 is hereby repealed in its entirety.

Section 9. Section 12 of Public Law No. 13-46 is hereby amended to read as follows:

"Section 12. Reprogramming. Reprogramming [to or] from personnel budget items shall [not] be permitted, but not to personnel budget items. Funds appropriated under section 2 of this act and apportioned to a department or office under sections 2(1) through 2(8) of this act may be [shall not be] reprogrammed to or from such department or office by the President up to 10% of the apportionment. Reprogramming within a department or agency shall be effected by the head of such department by specifying in writing to the Secretary of the FSM Department of Finance and Administration, [the activities for which funding is either increased or decreased] up to 15% of reach apportionment."

Section 10. Section 13 of Public Law No. 13-46 is hereby amended to read as follows:

"Section 13. Allotment and management of funds and lapse date.

(1) General Provisions.
(a) 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 and the Amended Compact of Free Association between the United States Government and the Government of the Federated States of Micronesia.

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

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

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

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

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

(d) section 5 - the allottee of these funds shall be the Public Auditor of the Federated States of Micronesia;
(e) section 6 through 9 - the allottee of these funds shall be the President of the Federated States of Micronesia; EXCEPT THAT for the following subsections of section 6 through 9 of this act, the allottees shall be:

(i) section 8, subsection (6)(a) through (6)(d) - the allottee of these funds shall be the Chief Justice of the respective state;

(ii) section 9, subsection (1)(a) through (1)(d) - the allottee of these funds shall be the President of the College of Micronesia-FSM;

(3) Lapse Dates. The authority of the allottees to obligate funds appropriated by this act shall lapse as of September 30, 2005, EXCEPT that funds appropriated under section 9 of this act shall not lapse."

Section 11. 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: 01/24/05 Introduced by: /s/ Henry C. Asugar
Henry C. Asugar (by request)