AN ACT

To further amend Public Law No. 10-120, as amended, by amending sections 1 and 6 thereof to change the use of certain funds appropriated for use in Chuuk State, to change the allottee of certain funds, and for other purposes.

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

Section 1. Section 1 of Public Law No. 10-120, as amended by Public Laws Nos. 10-122, 10-144, 11-8, 11-20, 11-32, 12-6, 12-20, 12-68 and 13-11, is hereby further amended to read as follows:

"Section 1. The sum of $5,000,000, 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, 1999, for the purpose of funding infrastructure and other projects and programs in the State of Chuuk. The funds appropriated under this section shall be apportioned as follows:

(1) Regional transportation projects (which shall be deemed to come from capital account funds available under section 211 of the Compact of Free Association)

(a) Ta airport paving and related structures and equipment .......................$ 200,000

(b) Houk airport paving, including acquisition of related structures and equipment ................................. 250,000

(c) Chuuk International Airport
<table>
<thead>
<tr>
<th></th>
<th>Description</th>
<th>Amount</th>
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<tr>
<td>1</td>
<td>construction and repair</td>
<td>$50,000</td>
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<td>2</td>
<td>(2) Chuuk Delegation Office</td>
<td>$100,000</td>
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<td>(3) At-large projects</td>
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<td>(a) Rural water program</td>
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<td>(b) Youth community programs</td>
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<td>5</td>
<td>(c) Chuuk 4H Youth Baseball League</td>
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<td>6</td>
<td>(d) Sport facilities and programs</td>
<td>$21,711</td>
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<td>7</td>
<td>(e) Land Commission survey and office equipment supplemental funding</td>
<td>$8,000</td>
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<td>8</td>
<td>(f) School supplies and materials/vehicle for regional junior high schools</td>
<td>$15,000</td>
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<tr>
<td>9</td>
<td>(g) Statewide needs</td>
<td>$16,552</td>
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<td>10</td>
<td>(4) Election District No. 1</td>
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<td></td>
<td>(a) Completed projects and programs</td>
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<td>11</td>
<td>(b) Other projects and programs</td>
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<td>12</td>
<td>(5) Election District No. 2</td>
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<td>13</td>
<td>(a) Election District No. 2</td>
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<tr>
<td>14</td>
<td>leadership conference and travel</td>
<td>$50,000</td>
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<tr>
<td>15</td>
<td>(b) Fono municipal public projects</td>
<td>$30,000</td>
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<tr>
<td>16</td>
<td>(c) Pis Paneu municipal public projects</td>
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<tr>
<td>17</td>
<td>(d) Road construction and equipment</td>
<td>$125,000</td>
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<td>18</td>
<td>(e) Social and economic development grants</td>
<td>$520,000</td>
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<tr>
<td>19</td>
<td>(6) Election District No. 3</td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>2 of 8</td>
<td></td>
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</table>
(a) Economic and social development grants ........................................ 700,000
(b) Educational and Health Trust Fund, which fund shall be maintained and invested by the Secretary of the Department of Finance and Administration, along with any interest or other income thereon, none of which shall be withdrawn until after July 30, 2001, at which point it shall be available solely for health and education needs in Southern Namoneas ............... 300,000
(7) Election District No. 4
   (a) Economic and social development grants ........................................ 500,000
   (b) Faichuk citizens living outside Election District No. 4 - economic and social development grants ..................... 100,000
   (c) Emergency relief grants ........... 50,000
   (d) Crop damage relief or replanting .............................................. 75,000
   (e) Election District No. 4 leadership conference and travel ............ 72,098
   (f) Contractual services ............. 50,000
   (g) Municipal Constitutional Convention .........................................$ 13,831
   (h) Special events .................. 30,000

3 of 8
1 (i) Youth sports and facilities ..... 50,000
2 (j) Economic and social grants ..... 9,071
3 (8) Election District No. 5
4 (a) Completed projects and
5 programs ................................... 621,557
6 (b) Other projects and programs ..... 28,443"
7 Section 2.  Section 6 of Public Law No. 10-120, as amended by
8 Public Laws Nos. 10-122, 11-8, 11-10, 11-20, 11-32, 11-64, 11-75,
9 12-20, 12-47, 12-68 and 13-11, is hereby further amended to read
10 as follows:
11 "Section 6.  Allotment and management of funds and lapse
12 date.
13 (1) All funds appropriated by this act shall be
14 allotted, managed, administered, and accounted for in
15 accordance with applicable law, including, but not
16 limited to, the Financial Management Act of 1979.  The
17 allottee of the funds appropriated under section 1(3)(e)
18 of this act shall be the Governor of the State of Chuuk
19 or his designee.  The allottee of the funds appropriated
20 under section 1(2) of this act shall be the Speaker of
21 the Congress of the Federated States of Micronesia.  The
22 allottee of the funds appropriated under section 1(3)(a)
23 of this act shall be the Director of the Department of
24 Health Services.  The allottee of the funds appropriated
25 under section 1(3)(c) of this act shall be the Assistant
26 Director, Land Grant Program, Cooperative Extension
Services, Chuuk State. The allottee of the funds appropriated under section 1(3)(d) of this act shall be the Executive Director of the Chuuk Recreation Office. The allottee of the funds appropriated under section 1(3)(f) of this act shall be the Secretary of the Department of Health, Education and Social Affairs of the Federated States of Micronesia, or his designee. The allottee of the funds appropriated under section 1(3)(g) of this act shall be the Chuuk State Commission on Improvement Projects. The allottee of the funds appropriated under sections 1(5) and 1(3)(b) of this act shall be the Executive Director of the Northern Namoneas Development Authority, or if the Northern Namoneas Development Authority shall be abolished, the Northern Namoneas Project Coordinator or his designee. The allottee of the funds appropriated under sections 1(4) and 1(6)(b) of this act shall be the Executive Director of the Chuuk State Commission on Improvement Projects.

At the beginning of each quarter, the Secretary of the Department of Finance and Administration, or his designee, shall provide a status report to the member of Congress representing Chuuk Election District No. 3 on the Educational and Health Trust Fund created pursuant to section 1(6)(b) of this act. Said report shall describe the investment status of the fund and changes in fund balances since the previous report, including
nominal and real rates of return on investments. The allottee of the funds appropriated under section 1(6)(a) of this act shall be the Chuuk State Commission on Improvement Projects. The allottee of the funds appropriated under section 1(7) of this act shall be the Mayor of Polle. The allottee of the funds appropriated under section 1(8) of this act shall be the Chuuk State Commission on Improvement Projects. The allottee of the funds appropriated under section 2(1) of this act shall be the respective mayor of each municipality listed therein. The allottee of the funds appropriated under sections 2(2) through 2(8) of this act shall be the Governor of the State of Kosrae. The allottee of the funds appropriated under section 2(9) of this act shall be the President of the Federated States of Micronesia, or the President's designee. The allottee of the funds appropriated under section 3(1)(a) of this act shall be the Mayor of Kolonia Town, and said allottee shall obligate no more than $3,000 of such funds for administrative costs. The allottee of the funds appropriated under sections 4(1) through 4(7), 4(9) through 4(18), and 4(24) of this act shall be the Governor of the State of Yap. The allottee of the funds appropriated under section 4(8) of this act shall be the Speaker of the Congress of the Federated States of Micronesia. The allottee of the funds appropriated
under section 4(23) of this act shall be the Secretary of the Department of Health, Education and Social Affairs. The allottee of all other funds appropriated by this act shall be the President of the Federated States of Micronesia or the President's designee. In the event that the President designates the Vice President as allottee, the Vice President may designate a suballottee. The allottees shall be responsible for ensuring that these funds, 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. The allottee of the funds appropriated under section 3(2) of this act shall obligate no more than ten percent of such funds for administrative costs.

(2) The authority of the allottees to obligate funds appropriated by this act shall not lapse."

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.
/s/ Joseph J. Urusemal
Joseph J. Urusemal
President
Federated States of Micronesia