AN ACT

To appropriate the sum of $2,800,000, from the local revenue in the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 2004, for the purpose of funding social and economic development projects in the states, and for other purposes.

Section 1. The sum of $400,000, 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, 2004, to provide funding for social and economic development projects in the State of Kosrae. The funds appropriated under this section shall be apportioned as follows:

(1) Statewide projects .......................$ 200,000
(2) Regional projects ......................... 200,000

Section 2. The sum of $400,000, 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, 2004, to provide funding for social and economic development projects in the State of Yap. The funds appropriated under this section shall be apportioned as follows:

(1) Post-secondary scholarships for Yapese students, subject to the following conditions:
   (a) funds appropriated under this subsection may only be used for tuition, books, and on-campus room and board expenses;
   (b) the maximum amount available to any individual student enrolled at an institution of higher education located
(c) the maximum amount available to any individual student enrolled at the College of Micronesia is $1,500; and
(d) if the FSM Scholarship Board does not meet to award scholarship funds appropriated by this section, the Secretary of the FSM Department of Health, Education and Social Affairs (HESA), or his designee, and the Yap State member of the FSM Scholarship Board may determine the recipients of such funds $180,000

(2) Fuel and other provisions for travel by FSM government officials to Yap State Outer Islands ................. 20,000

(3) Other social and economic development projects and programs ......................................... 200,000

Section 3. The sum of $800,000, 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, 2004, to provide funding for social and economic development projects in the State of Pohnpei. The funds appropriated under this section shall be apportioned as follows:

(1) Statewide projects ........................ 200,000

(2) Regional Projects:

(a) Election District No. 1 .............. 200,000
(b) Election District No. 2 .............. 200,000
(c) Election District No. 3 .............. 200,000

Section 4. The sum of $1,200,000, or so much thereof

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as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 2004, to provide funding for social and economic development projects in the State of Chuuk. The funds appropriated under this section shall be apportioned as follows:

(1) Statewide projects ....................... 200,000

(2) Regional projects:

(a) Election District No. 1 ............... 200,000
(b) Election District No. 2 ............... 200,000
(c) Election District No. 3 ............... 200,000
(d) Election District No. 4 ............... 200,000
(e) Election District No. 5 ............... 200,000

Section 5. 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 sections 1, 2 and 3 of this act shall be the President of the Federated States of Micronesia. The allottee of the funds appropriated under section 4 of this act shall be the Chuuk State Commission on Improvement Projects, except that the funds appropriated under section 4(2)(c) of this act shall be allotted to the President of the Federated States of Micronesia.

(2) The allottees of the funds appropriated herein shall be
responsible for ensuring that these funds, or so much thereof as may be necessary, are used solely for the purpose specified herein, and shall report back to the Congress on the status of these funds no later than September 30, 2005. The authority of the allottees to obligate such funds shall not lapse until fully expended.

Section 6. This act shall become law upon approval by the President of the Federated States of Micronesia or upon its becoming law without such approval.

________________________, 2004

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Joseph J. Urusemal
President
Federated States of Micronesia