To further amend Public Law No. 11-27, as amended, by amending section 5 thereof to provide a procedure for distribution of funds appropriated to Election District No. 4 in Chuuk State, and for other purposes.

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

Section 1. Section 5 of Public Law No. 11-27, as amended by Public Laws Nos. 11-39, 11-55, 11-65, 11-78, 12-25 and 12-29, is hereby further amended to read as follows:

"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 by section 1 of this act shall be the Executive Director of the Chuuk State Commission on Improvement Projects, or his designee; EXCEPT THAT the allottee of the funds appropriated under subsection (6) of section 1 of this act shall be the Northwest Project Coordinator and PROVIDED THAT, for funds appropriated under subsection (5) of section 1 of this act, the allottee shall follow the procedures set forth in subsection (3) of this section 5. The allottee
of the funds appropriated by subsection (1), subsections (3) through (10), subsection (13) and subsections (15) through (17) of section 3 of this act shall be the Governor of the State of Yap. The allottee of the funds appropriated by subsections (2) and (11) of section 3 of this act shall be the Secretary of the Department of Transportation, Communication and Infrastructure. The allottee of the funds appropriated under subsections (12) and (18) of section 3 of this act shall be the Speaker of the Congress of the Federated States of Micronesia. The allottee of the funds appropriated by subsection (1) and subsection (3)(a), (3)(b) and (3)(d) of section 4 of this act shall be the Governor of Kosrae State. The allottee of the funds appropriated by subsection (3)(c) of section 4 of this act shall be the Chairman of the Coordination Committee of the Kosrae State 2000 Summer Youth Conference. The allottee of the funds appropriated by subsection (2) of section 4 of this act shall be the mayors of the respective municipalities. 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. 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.

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

(3) Prior to any obligation or disbursement of funds appropriated under subsection (5) of section 1 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 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.

June 25, 2003

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