A BILL FOR AN ACT

To amend Public Law No. 14-80, as amended by Public Law No. 14-95, by further amending sections 1, 2, 3, 4, 5, 6, 8, 9 and 12 thereof, in order to provide funding for the full fiscal year ending September 30, 2007 by appropriating funds for the third and fourth quarters, and for other purposes.

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

Section 1. The title of Public Law No. 14-80, as amended by Public Law No. 14-95, is hereby further amended to read as follows:

"To appropriate the sum of [$23,498,521.62] $24,201,219.62 from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 2007 for the purpose of funding the operations of all branches of the National Government of the Federated States of Micronesia, its agencies, various programs, grants, subsidies and contributions and to establish a capital and human resource development budget [for the first two quarters of the fiscal year 2007], and for other purposes."

Section 2. Section 1 of Public Law No. 14-80, as amended by Public Law No. 14-95, is hereby further amended to read as follows:

"Section 1. An annual budget in the amount of [$32,730,005] $35,373,814.62 for the fiscal year ending September 30, 2007 is hereby approved. There is hereby
appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 2007 the sum of \[ \$23,498,521.62 \] \$24,201,219.62 for the purpose of funding the operations of all branches of the National Government of the Federated States of Micronesia, its agencies, various programs, grants, subsidies and contributions; and capital and human resource development for [the first two quarters of] the fiscal year ending September 30, 2007. The sum appropriated herein shall be apportioned as follows:

Section 3. Section 2 of Public Law No. 14-80, as amended by Public Law No. 14-95, is hereby further amended to read as follows:

"Section 2. Operating expenses of the Executive Branch. The sum of \[ \$7,870,167 \] $15,538,979 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, 2007, for the purpose of funding the operations of the Executive Branch of the National Government for [the first two quarters of the] fiscal year 2007. The sum appropriated by this section shall be apportioned as follows:

(1) Office of the President. \[ \$300,259 \] $611,683, or so much thereof as may be
necessary, for the operations of the Office of the President for [the first two quarters of the] fiscal year 2007. The sum appropriated herein shall be apportioned as follows:

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel</td>
<td>$123,671</td>
<td>267,341</td>
</tr>
<tr>
<td>Travel</td>
<td>$54,088</td>
<td>107,342</td>
</tr>
<tr>
<td>Contractual Services</td>
<td>$75,000</td>
<td>142,000</td>
</tr>
<tr>
<td>OCE</td>
<td>$35,000</td>
<td>70,000</td>
</tr>
<tr>
<td>Fixed Assets</td>
<td>$12,500</td>
<td>25,000</td>
</tr>
</tbody>
</table>

(2) Department of Foreign Affairs.

[$1,478,254] $2,956,506, or so much thereof as may be necessary, for the operations of the Department of Foreign Affairs for [the first two quarters of the] fiscal year 2007. The sum appropriated herein shall be apportioned as follows:

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel</td>
<td>$586,105</td>
<td>1,172,209</td>
</tr>
<tr>
<td>Travel</td>
<td>$70,030</td>
<td>140,060</td>
</tr>
<tr>
<td>Contractual Services</td>
<td>$687,454</td>
<td>1,374,907</td>
</tr>
<tr>
<td>OCE</td>
<td>$133,925</td>
<td>267,850</td>
</tr>
<tr>
<td>Fixed Assets</td>
<td>$740</td>
<td>1,480</td>
</tr>
</tbody>
</table>

(3) Department of Finance and Administration.

[$1,260,114] $2,588,177, or so much thereof as may be necessary, for the operations of the Department of Finance and Administration for [the first two quarters of the] fiscal year 2007. The sum appropriated herein
shall be apportioned as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel</td>
<td>$416,663</td>
</tr>
<tr>
<td>Travel</td>
<td>$34,585</td>
</tr>
<tr>
<td>Contractual Services</td>
<td>$56,138</td>
</tr>
<tr>
<td>OCE</td>
<td>$69,000</td>
</tr>
<tr>
<td>Fixed Assets</td>
<td>$11,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>833,325</strong></td>
</tr>
</tbody>
</table>

(4) Department of Economic Affairs.

[$587,386] $1,174,769, or so much thereof as may be necessary, for the operations of the Department of Economic Affairs for [the first two quarters of the] fiscal year 2007. The sum appropriated herein shall be apportioned as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel</td>
<td>$416,663</td>
</tr>
<tr>
<td>Travel</td>
<td>$34,585</td>
</tr>
<tr>
<td>Contractual Services</td>
<td>$56,138</td>
</tr>
<tr>
<td>OCE</td>
<td>$69,000</td>
</tr>
<tr>
<td>Fixed Assets</td>
<td>$11,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>833,325</strong></td>
</tr>
</tbody>
</table>

(5) Department of Transportation, Communication and Infrastructure.

[$742,995] $1,485,990, or so much thereof as may be necessary, for the operations of the Department of Transportation, Communications and Infrastructure for [the first two quarters of the] fiscal year 2007. The sum appropriated herein shall be apportioned as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel</td>
<td>$280,971</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>579,942</strong></td>
</tr>
</tbody>
</table>
1. Travel ...........................................$[51,500] 103,000
2. Contractual Services ..................$[362,524] 725,048
3. OCE .........................................$[35,000] 70,000
4. Fixed Assets ..............................$[4,000] 8,000

(6) Department of Health, Education and Social Affairs.

[$1,355,344] $2,730,227, or so much thereof as may be necessary, for the operations of the Department of Health, Education and Social Affairs for [the first two quarters of the] fiscal year 2007. Of the total funds appropriated herein, $179,540 shall be deemed to come from funds available under the amended Compact for the education sector, $383,582 from the health sector, [and] $643,843 from the supplemental education grant (SEG) for fiscal year 2006, and $19,542 from the health sector carryover for fiscal year 2004, provided that, these funds shall not be allotted or obligated until such time as formal approval has been obtained in accordance with the Amended Compact of Free Association. The sum appropriated herein shall be apportioned as follows:

Personnel ...............................$[401,740] 803,480
Travel .........................................$[129,606] 278,753
Contractual Services .................$[93,194] 186,387
OCE ...........................................$[728,454] 1,456,907
Fixed Assets .............................$[2,350] 4,700
(7) Department of Justice.

$2,533,589, or so much thereof as may be necessary, for the operations of the Department of Justice for the first two quarters of the fiscal year 2007. The sum appropriated herein shall be apportioned as follows:

Personnel: $1,844,130
Travel: 104,000
Contractual Services: 120,100
OCE: 465,359
Fixed Assets: 0

(8) Office of the Public Defender.

$635,991, or so much thereof as may be necessary, for the operations of the Office of the Public Defender for the first two quarters of the fiscal year 2007. The sum appropriated herein shall be apportioned as follows:

Personnel: 458,244
Travel: 69,503
Contractual Services: 52,044
OCE: 47,350
Fixed Assets: 8,850

(9) Office of Compact Management.

$822,047, or so much thereof as may be necessary, for the operations of the Office of Compact
Management for [the first two quarters of the] fiscal year 2007. Of the total funds appropriated herein, $300,000 shall be deemed to come from funds available under the amended Compact carryover from fiscal year 2005 and shall be used for foreign consultant fees, provided that, these funds shall not be allotted or obligated until such time as formal approval has been obtained in accordance with the amended Compact. The sum appropriated herein shall be apportioned as follows:

Personnel .........................$48,624  97,247
Travel .............................[35,000]  70,000
Contractual Services ..............[451,400]  602,800
OCE .................................[17,000]  34,000
Fixed Assets ........................[9,000]  18,000"

Section 4. Section 3 of Public Law No. 14-80 is hereby amended to read as follows:

"Section 3. Operating expenses of the Legislative Branch. The sum of [$1,611,083] $3,222,164, 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, 2007, for the operations of the Legislative Branch of the National Government for [the first two quarters of the] fiscal year 2007. The sum appropriated by this section shall be apportioned as follows:
(1) Speaker and Members.

[$741,386] $1,482,771, or so much thereof as may be necessary, for the operations of the Office of the Speaker and Members of the Congress of the Federated States of Micronesia for [the first two quarters of the] fiscal year 2007. The sum appropriated herein shall be apportioned as follows:

Personnel ..................................[$207,645] 415,290
Travel ....................................[219,941] 439,881
Contractual Services ....................[288,800] 577,600
OCE ........................................[25,000] 50,000

(2) Staff Offices.

[$624,697] $1,249,393, or so much thereof as may be necessary, for the operations of the Congress staff offices for [the first two quarters of the] fiscal year 2007. The sum appropriated herein shall be apportioned as follows:

Personnel ..................................[$411,481] 822,962
Travel ....................................[54,686] 109,371
Contractual Services ....................[84,250] 168,500
OCE ........................................[61,170] 122,340
Fixed Assets ..............................[13,110] 26,220

(3) Congress Delegation Offices.

[$245,000] $490,000, or so much thereof as may be necessary, for the operations of the Congress delegation
offices for [the first two quarters of the] fiscal year 2007. The sum appropriated herein shall be apportioned as follows:

(a) Kosrae Delegation

Office ........................... $[35,000] 70,000

(b) Pohnpei Delegation

Office ............................. [70,000] 140,000

(c) Chuuk Delegation Office [105,000] 210,000

(d) Yap Delegation Office ...[35,000] 70,000"

Section 5. Section 4 of Public Law No. 14-80 is hereby amended to read as follows:

"Section 4. Operating Expenses of the National Judiciary Branch. The sum of [551,518] $1,103,035, 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, 2007, for the operations of the Judiciary Branch of the National Government for [the first two quarters of the] fiscal year 2007. The sum appropriated by this section shall be apportioned as follows:

Personnel .......................... $[354,868] 709,735

Travel .............................. [50,000] 100,000

Contractual Services .............. [63,450] 126,900

OCE ................................. [83,200] 166,400

Fixed Assets ........................... $ -0-"
Section 6. Section 5 of Public Law No. 14-80, as amended by Public Law No. 14-95, is hereby further amended to read as follows:

"Section 5. Operating Expenses of the Public Auditor's Office. The sum of $662,876 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, 2007, for the operations of the National Office of the Public Auditor for the first two quarters of the fiscal year 2007. Of the total funds appropriated herein, $261,284 shall be deemed to come from funds available under the amended Compact for Public Sector Capacity Building and shall be used to establish a sub-office in Chuuk State, provided that, these funds shall not be allotted or obligated until such time as formal approval has been obtained in accordance with the amended Compact. The sum appropriated by this section shall be apportioned as follows:

Personnel .........................$[192,642] 385,284
Travel ............................[80,000] 160,000
Contractual Services .............[100,950] 201,900
OCE .............................[26,000] 52,000
Fixed Assets ........................[2,000] 4,000
Establishment of Chuuk Sub-office .......$ 261,284"
Section 7. Section 6 of Public Law No. 14-80 is hereby amended to read as follows:

Section 8. Section 8 of Public Law No. 14-80, as amended by Public Law No. 14-95, is hereby further amended to read as follows:

"Section 8. Grants, Subsidies and Contributions. The sum of \[\$3,125,252.62\] \[\$3,592,279.62\], 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, 2007, for the following grants, subsidies and contributions during fiscal year 2007. The sum appropriated by this section shall be apportioned as follows:

(1) Department of Foreign Affairs.
   (a) Pacific Islands Forum Secretariat $ 46,000
   (b) Secretariat for the Pacific Community (SPC) ...................... 56,000
   (c) UN and Specialized Agencies (UN) 60,000
   (d) UN Economic and Social Commission for Asia and the Pacific (ESCAP) ......... 5,000
   (e) East-West Center ................ 5,000
   (f) United Nations Development Program (UNDP) ......................... 23,500
   (g) Activities in preparation for the establishment of an FSM embassy in
<table>
<thead>
<tr>
<th>1</th>
<th>Beijing ................................ 75,000</th>
<th>242,928</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>(2) <strong>Department of Finance and Administration.</strong></td>
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</tr>
<tr>
<td>3</td>
<td>(a) National Authorizing Committee</td>
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<tr>
<td>4</td>
<td>(ACP/EU) .......................... [–0–] 40,000</td>
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<tr>
<td>5</td>
<td>(b) OCO Membership Fee ............... 2,000</td>
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<tr>
<td>6</td>
<td>(c) Maintenance fee for Financial Management Information System ................... 60,000</td>
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<td>8</td>
<td>(3) <strong>Department of Economic Affairs.</strong></td>
<td></td>
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<tr>
<td>9</td>
<td>(a) Pacific Islands Development Program .................... 15,000</td>
<td></td>
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<tr>
<td>11</td>
<td>(b) Forum Fisheries Agency (FFA) .... 21,000</td>
<td></td>
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<tr>
<td>12</td>
<td>(c) UN Development Program ........... 3,000</td>
<td></td>
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<tr>
<td>13</td>
<td>(d) Coordinating Committee for Offshore Minerals Prospecting (SOPAC) ...... 40,000</td>
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<tr>
<td>15</td>
<td>(e) Pacific Asia Travel Association . 5,000</td>
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<tr>
<td>16</td>
<td>(f) UN Environmental Program (UNEP) . 600</td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>(g) Western Forestry Leadership Coalition ........................................... –0–</td>
<td></td>
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<tr>
<td>19</td>
<td>(h) Seaframe Program .................. –0–</td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>(i) Food Agriculture Organization (FAO) 4,700</td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>(j) UN Framework Convention .......... 250</td>
<td></td>
</tr>
<tr>
<td>22</td>
<td>(k) National Association of State Foresters ................................. –0–</td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>(l) National Environmental Speech Contest .................................$ –0–</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Description</td>
<td>Amount</td>
</tr>
<tr>
<td>---</td>
<td>------------------------------------------------------------------------------</td>
<td>---------</td>
</tr>
<tr>
<td>1</td>
<td>(m) FA/TCP Matching</td>
<td>34,500</td>
</tr>
<tr>
<td>2</td>
<td>(n) Matching for SPC Projects</td>
<td>60,000</td>
</tr>
<tr>
<td>3</td>
<td>(o) Tourism activities, provided that, no funds shall be allotted until such</td>
<td>50,000</td>
</tr>
<tr>
<td></td>
<td>time as the Tourism Unit has submitted a plan for the use of the funds to the</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Standing Committee on Resources and Development and received written approval</td>
<td></td>
</tr>
<tr>
<td></td>
<td>of the Committee</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>(4) Department of Health, Education and Social Affairs.</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>(a) UN Fund for Population Activity (UNFPA)</td>
<td>3,000</td>
</tr>
<tr>
<td>6</td>
<td>(b) South Pacific Regional Environmental Program (SPREP)</td>
<td>7,375</td>
</tr>
<tr>
<td>7</td>
<td>(c) Aid to Non-Public Schools</td>
<td>300,000</td>
</tr>
<tr>
<td>8</td>
<td>(d) Financial Assistance to FSM Students attending College of Marshalls</td>
<td>50,000</td>
</tr>
<tr>
<td>9</td>
<td>and Palau Community College</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>(e) World Health Organization (WHO)</td>
<td>41,385</td>
</tr>
<tr>
<td>11</td>
<td>(f) National Board of Nursing</td>
<td>10,000</td>
</tr>
<tr>
<td>12</td>
<td>(g) Pacific Islands Health Officers Association</td>
<td>20,000</td>
</tr>
<tr>
<td>13</td>
<td>Officers Association</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>(h) National Close-Up Local Program</td>
<td>64,000</td>
</tr>
<tr>
<td>15</td>
<td>(i) FSM Amateur Sports Association</td>
<td>20,000</td>
</tr>
<tr>
<td>16</td>
<td>(j) College of Micronesia Board (COM)</td>
<td>5,000</td>
</tr>
</tbody>
</table>
(k) Association of Territorial Health Organization .................. 2,000
(l) FSM Red Cross .................. 70,000
(m) UNESCO ...................... 4,000
(n) Independent professional evaluations, including but not limited to the evaluation of the national student testing systems and a personnel audit of the Chuuk State school system, provided that all funds appropriated herein shall be deemed to come from funds available under the amended Compact for the Education Sector, and provided that, these funds shall not be allotted or obligated until such time as formal approval has been obtained in accordance with the amended Compact ...................... 200,000
(o) Fuel, utilities, communication, equipment and contractual services for the Division of Education, provided that all funds appropriated herein shall be deemed to come from funds available under the amended Compact for the Education Sector, and provided that, these funds shall not be allotted or obligated until such time as formal approval has been obtained in accordance with the amended Compact .......... 45,068
(p) $57,000 for Division of Health projects and programs, provided that, all funds appropriated herein shall be deemed to come from funds available under the
amended Compact for the Health Sector, and provided
that, these funds shall not be allotted or obligated
until such time as formal approval has been obtained in
accordance with the amended Compact. The sum
appropriated herein shall be apportioned as follows:

(i) Projected shortfalls in communications ......................... $ 2,000

(ii) Drugs and medical supplies for Mental Health & Substance Abuse Program 10,000

(iii) Contracting off-island visiting medical specialists ............ 28,000

(iv) TB & STD clinic supplies for the State governments ............... 3,000

(v) Travel for off-island visiting medical specialists ............ 14,000

(q) National Scholarship Fund, provided that, all funds appropriated herein shall be deemed to come from funds available from the Supplemental Education Grant (SEG) for fiscal year 2006, and provided that, these funds shall not be allotted or obligated until such time as formal approval has been obtained in accordance with the amended Compact ............... 141,777

(5) Department of Transportation, Communications and Infrastructure.

(a) Asia-Pacific Telecommunity (APT) $ 7,640
<table>
<thead>
<tr>
<th></th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>(b) International Telecommunications</td>
<td>55,000</td>
</tr>
<tr>
<td>2</td>
<td>Union (ITU)</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>(c) International Civil Aviation Organization</td>
<td>28,050</td>
</tr>
<tr>
<td>4</td>
<td>(d) Micronesian Shipping Commission</td>
<td>10,000</td>
</tr>
<tr>
<td>5</td>
<td>(e) FSM Capital Energy/Utilities</td>
<td>300,000</td>
</tr>
<tr>
<td>6</td>
<td>(f) Marine and aviation skills updating</td>
<td>50,000</td>
</tr>
<tr>
<td>7</td>
<td><strong>(6) Coconut Development Authority (CDA).</strong></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>(a) Copra Subsidy</td>
<td>50,000</td>
</tr>
<tr>
<td>9</td>
<td>(b) Asia Pacific Coconut Community (APCC)</td>
<td>0-</td>
</tr>
<tr>
<td>10</td>
<td>(c) Pilot Plant Project</td>
<td>49,300</td>
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<tr>
<td>11</td>
<td><strong>(7) Other Grants, Subsidies and Contributions.</strong></td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>(a) Kosrae Judiciary subsidy</td>
<td>30,000</td>
</tr>
<tr>
<td>13</td>
<td>(b) Pohnpei Judiciary subsidy</td>
<td>45,000</td>
</tr>
<tr>
<td>14</td>
<td>(c) Chuuk Judiciary subsidy</td>
<td>45,000</td>
</tr>
<tr>
<td>15</td>
<td>(d) Yap Judiciary subsidy</td>
<td>20,000</td>
</tr>
<tr>
<td>16</td>
<td>(e) COM Treaty Obligations</td>
<td>25,000</td>
</tr>
<tr>
<td>17</td>
<td>(f) Micronesian Legal Services Corporation</td>
<td>150,000</td>
</tr>
<tr>
<td>18</td>
<td>(g) States Joint Law Enforcement, provided that $25,000 shall go to Kosrae State, $50,000 shall go to</td>
<td></td>
</tr>
</tbody>
</table>
Pohnpei State, $50,000 shall go to Chuuk State and $25,000 shall go to Yap State ............$ 150,000

(h) Tuna Commission Membership ...... 16,000

(i) Disaster Assistance Emergency Fund (DAEF) Matching ....................... 200,000

(j) Maritime Boundary Delimitation .. 43,500

(k) Yap Judiciary subsidy to be used solely to fund scholarships for citizens of Yap who are studying law ................. 10,000

(l) Passport Revolving Fund ........... 233,607.62

(m) Micronesia Longline Fishing Company (or its successor in interest), to be used for start-up capital once the FSM Supreme Court has confirmed the bankruptcy reorganization plan ......................... 100,000

(n) May 2007 Presidential Inauguration ........................................... 100,000

(o) Micare, to be used to cover 10% increase in premiums for members of health plan ........ 59,099"

Section 9. Section 9 of Public Law No. 14-80, as amended by Public Law No. 14-95, is hereby further amended to read as follows:

"Section 9. Capital and Human Resource Development. The sum of [[$8,555,333] $8,945,333, 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, 2007, for the
following capital improvements, development programs and
projects and human resource development. The sum
appropriated by this section shall be apportioned as
follows:

(1) **College of Micronesia-FSM.**

[$6,272,833] $6,572,833, or so much thereof as may be
necessary, for the operations, programs and projects of
the College during fiscal year 2007. The sum
appropriated herein shall be apportioned as follows:

(a) COM-FSM operations, PROVIDED THAT all funds
appropriated herein shall be deemed to come from funds
available under the amended Compact for the Education
Sector, provided further that, $52,833 of these funds
shall be used only for fuel, utilities, communication,
equipment and contractual services, and provided that,
these funds shall not be allotted or obligated until
such time as formal approval has been obtained in
accordance with the Amended Compact of Free
Association .........................$ 3,852,833

(b) Fisheries and Maritime

Institute ................................. 650,000

(c) COM-FSM State Campus Facility Improvement,
PROVIDED THAT the sum appropriated herein shall be
deemed to come from funds available under the
amended Compact for Infrastructure Development
Sector and, provided that, these funds shall
not be allotted or obligated until such time
as formal approval has been obtained in
accordance with the Amended Compact of Free
Association ..................................$ 1,500,000

(d) COM-FSM Work Study Program, PROVIDED THAT the
General Fund shall be reimbursed for any expenditures
under this subsection from Supplemental Education Grant
(SEG) funds for fiscal year 2007 once these funds are
made available ............................. 270,000

(e) COM-FSM student assistance, PROVIDED THAT the
sum appropriated herein shall be deemed to come from
Supplemental Education Grant (SEG) funds for fiscal year
2007 and, provided that, these funds shall not be
allotted or obligated until such time as formal approval
has been obtained in accordance with the Amended Compact
of Free Association ......................... 300,000

(2) Department of Finance and Administration.

(a) National Staff Upgrading ........ 50,000

(b) Asian Development Bank MLFC Loan .......................[-0-] 90,000

(3) Department of Economic Affairs.

(a) FSM Tourism Promotion ............. 100,000

(b) FSM Trade and FDI Project ......$ 75,000
(c) Diversification of Energy ........ 125,000
(d) Crop Production Improvement ..... 15,000

(4) Department of Transportation, Communication and Infrastructure.

(a) Dry Docking of MS Voyager PROVIDED THAT of the amount appropriated herein $756,592 shall come from funds available under the amended Compact for Infrastructure Development Sector and, provided that, these funds shall not be allotted or obligated until such time as formal approval has been obtained in accordance with the Amended Compact of Free Association ......................... 880,000

(b) Tuna Commission Headquarters Supplement .............................-0-

(5) Department of Justice.

(a) FSM Patrol Boat Slipping ........ 250,000

(b) Construction of 2 fuel tanks .... -0-

(6) FSM Postal Services.

(a) Pohnpei Post Office renovation .. 50,000

(7) Infrastructure Maintenance Fund (IMF).

(a) IMF PROVIDED THAT $118,750 of the funds appropriated herein shall be deemed to come from funds available under the amended Compact for Infrastructure Development Sector and, provided that, these funds shall not be allotted or obligated until such time as formal
approval has been obtained in accordance with the Amended Compact of Free Association........$ 237,500

(8) FSM Development Bank.

(a) Escrow Account USDA Housing Program ..................... -0-

(9) FSM Trust Fund.

(a) FSM Trust Fund created under the Amended Compact of Free Association, provided that, 50% of any FY 2006 domestic revenue carryover shall also be deposited into the FSM Trust Fund ..................500,000"

Section 10. Section 12 of Public Law No. 14-80 is hereby amended to read as follows:

"Section 12. 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 and its related agreements.

(b) 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) Allottees. The allottee 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) Sections 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 sections 8 through 9 of this act:

(i) section 8 subsection (7)(a) through (d) - the allottee of these funds shall be the Chief Justice of the respective state,

(ii) section 8 subsection (7)(l) - the allottee shall be the Yap Office of the Public Defender,
and

(iii) section 9(1)(a) through [(e) ] (e) - the allottee of these funds shall be the President of the College of Micronesia-FSM.

(3) Lapse Date. The authority of the allottee to obligate funds appropriated by this act shall lapse as of September 30, 2007, EXCEPT the 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: 1/9/07

Introduced by: /s/ Simiram Sipenuk

Simiram Sipenuk
(by request)