A BILL FOR AN ACT

To further amend Section 2 of Public Law No. 14-67, as amended, for the purpose of allowing 10% or less administrative cost of implementing projects in the State of Kosrae to municipal government, and for other purposes.

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

Section 1. Section 2 of Public Law No. 14-67, as amended by Public Laws Nos. 14-72, 14-82 and 14-101, is hereby further amended to read as follows:

"Section 2. Allotment and management of funds and lapse date. All funds appropriated by this act shall be allotted, managed, administered and accounted for in accordance with applicable laws, 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. The allottee 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 subsections (4)(a), (c), (d) and (f) of section 1 of this act shall be the Chuuk State Commission on Improvement Project. The allottee of the funds appropriated under subsection (4)(b) of section 1 of
this act shall be the Mortlocks Development Commission. The allottee of funds appropriated under subsection (4)(e) of section 1 of this act shall be the Mayor of Polle. The allottee of funds appropriated under subsections 1, 2 and 3 of Section 1 of this act shall be the President of the Federated States of Micronesia except that the allottee of funds appropriated under subsections (2)(b), (2)(c), (2)(d) and (2)(f) of Section 1 of this act shall be the Governor of the State of Yap. The respective municipal government in the State of Kosrae shall be allowed 10% or less of administrative cost on the implementation of projects in subsection 1 of Section 1 of this Act. The authority of the allottee to obligate funds appropriated by this act shall not lapse."

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.

Date: 3/28/07

Introduced by: /s/ Claude H. Phillip

Claude H. Phillip