AN ACT

To further amend Public Law No. 11-59, as amended, by amending sections 1 and 7 thereof, to change the use, the allottee and the lapse date of certain funds appropriated therein, and for other purposes.

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

Section 1. Section 1 of Public Law No. 11-59, as amended by Public Laws Nos. 11-69, 11-79, 12-33 and 13-58, is hereby further amended to read as follows:

"Section 1. The sum of $350,000, 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, 2001, to provide funds for infrastructure and other projects and programs in the State of Kosrae. The funds appropriated under this section shall be apportioned as follows:

(1) Social activities .................$ 8,038
(2) Completed programs and projects ...... 341,962"

Section 2. Section 7 of Public Law No. 11-59, as amended by Public Laws Nos. 11-69, 11-79, 12-7, 12-33, 12-46, 12-64, 12-71 and 13-2, is hereby further amended to read as follows:

"Section 7. 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 section 1 of this act shall be the President of the Federated States of Micronesia. The allottee of the funds appropriated under section 6 of this act shall be the Governor of the State of Kosrae, or his designee. The allottee of the funds appropriated under sections 2 and 5 of this act shall be the President of the Federated States of Micronesia, or his designee. The allottee of the funds appropriated under section 3 of this act shall be the Chuuk State Commission on Improvement Projects, EXCEPT THAT the allottee of the funds appropriated under subsection (6) of section 3 of this act shall be the Northwest Project Coordinator and PROVIDED THAT, for funds appropriated under subsection (5) of section 3 of this act, the allottee shall follow the procedures set forth in subsection (3) of this section 7. The allottee of the funds appropriated under subsections (1) through (13) and subsection (15) of section 4 of this act shall be the Governor of the State of Yap, or his designee. The allottee of the funds appropriated under subsection (14) of section 4 of this act shall be the Speaker of
the Congress of the Federated States of Micronesia, or his designee. The allottees shall be responsible for ensuring that the funds appropriated by this act, 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 lapse as of September 30, 2006; EXCEPT THAT the authority of the allottee to obligate funds appropriated under subsection (10) of section 1 of this act shall not lapse.

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

September 30, 2005

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