A BILL FOR AN ACT

To further amend title 55 of the Code of the Federated States of Micronesia, as amended by Public Law No. 13-93, by amending section 303 thereof to modify the division formula for Compact funds, and for other purposes.

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

1. Section 1. Section 303 of Title 55 of the Code of the Federated States of Micronesia, as enacted by Public Law No. 13-72, is hereby amended to read as follows:

"Section 303. Division of Compact Funds among National and State Governments.

(1) The Compact Budget Requests for Fiscal Years 2009 [and 2010] of the National Government and of each State Government under section 305 of this chapter shall be based upon a division of Compact funds in the following proportions:

Chuuk .........................[38.57] 40.00%
Kosrae .........................[11.06] 11.00
Pohnpei .........................[25.69] 25.00
Yap ...........................[16.03] 16.00
National Government ..........[8.65] 8.00

(2) For Fiscal Year 2011 and thereafter, the chief executives of the National Government and each of the State Governments shall have the authority to

enter, from time to time, into one or more agreements setting forth the proportionate amounts of Compact funds that shall be the basis of each Government's Compact Budget Request under sections 305 and 306 of this chapter[, provided that the National Government's proportionate amount of Compact funds for each Fiscal Year shall be ten percent (10%) of the estimated level of Compact funding for that year. An agreement regarding the division of Compact funds, other than the National Government's ten percent (10%) share, may be limited to a specified period of time and shall only be effective when signed by the chief executive of each and every Government]."

Section 2. Section 306 of Title 55 of the Code of the Federated States of Micronesia, as enacted by Public Law No. 13-72, is hereby amended to read as follows:

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.

Date: 5/20/09  Introduced by: _______________________

Joe N. Suka