THIRD CONGRESS OF THE FEDERATED STATES OF MICRONESIA
FOURTH REGULAR SESSION, 1984

AN ACT

To amend section 213 of title 55 of the Code of the Federated States of Micronesia, as established by Public Law No. 3-28, relating to the Capital Improvement Program Fund, and for other purposes.

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

Section 1. Section 213 of title 55 of the Code of the Federated States of Micronesia, as established by Public Law No. 3-28, is hereby amended to read as follows:

"Section 213. Capital Improvement Program Fund.

(1) There is hereby created within the National Treasury of the Federated States of Micronesia a Capital Improvement Program Fund.

(2) All United States grant funds, including United States federal program funds, allotted to the President of the Federated States of Micronesia by the Trust Territory Government or other agency of the United States Government specifically for capital improvement projects in the States shall be deposited in the Capital Improvement Program Fund.

(3) United States grant funds and federal program funds for the Capital Improvement Program shall include funding for the development of the basic infrastructure of the Federated States of Micronesia in conformance with the intent of the original Capital Improvement Program and other funding transferred under any agreement between the National Government of the Federated States of Micronesia and the Government of the Trust Territory of the Pacific Islands, or other agency of the United States Government, regarding the
transfer of capital improvement project funding and admin-
istration.

(4) The President or his designee shall notify Congress
of all grant awards and deposits to the Capital Improvement
Program Fund.

(5) Any portion of capital improvement funding made
available to and accepted by the National Government to cover
its costs for the administration of the Capital Improvement
Program shall be deposited in the United States Grant Special
Fund and may be withdrawn by appropriation laws enacted by
the Congress of the Federated States of Micronesia in accord-
ance with section 210 of this act.

(6) Deposits in the Capital Improvement Program Fund
shall be made available to and administered by the President
or his designee in accordance with written agreements between
the National Government of the Federated States of Micronesia
and the Trust Territory Government or other agency of the
United States Government for the transfer of capital improve-
ment project funding and administration. The funds shall be
allocated among the States in accordance with the terms of
the appropriation laws of the United States, or by the actions
of the High Commissioner or other authorized official of the
United States Government pursuant to authority set forth in
the appropriation laws of the United States. To the extent
that the terms of the appropriation laws of the United States
do not allocate such funds specifically to the States, and such laws do not so empower the High Commissioner or an official of the United States Government to act in this regard, or the High Commissioner or official chooses not to act, such funds shall be allocated by the President in an equitable manner which reflects the needs of each State, subject to the approval of Congress by resolution. If Congress is not in session, the appropriate committee shall review and approve the manner of distribution of the funds. The Congress or the appropriate committee shall complete its review within 30 days of submission. If the Congress or the appropriate committee fails to act within 30 days of submission, the proposed distribution of funds shall be deemed approved. The President shall be the allottee of the funds and shall have the authority to make suballocations to the Governors at such times and in such manner as may be required by sound financial management techniques. All funds which have been allotted to the President or suballotted to the Governors of the States shall be administered, managed and accounted for in accordance with applicable law, including, but not limited to, the Financial Management Act of 1979, and regulations pursuant thereto."
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.

December 26, 1984

Tosiwo Nakayama
President
Federated States of Micronesia