

AN ACT

To further amend Public Law No. 12-50, as amended, by amending section 8, 13 and 16 thereof, to clarify the use of certain funds appropriated for State Judiciaries and to broaden the use of certain funds appropriated for the Chuuk Judiciary, to change the standards of eligibility for Yapese student scholarships and reduce the level of funding for individual students, to extend the lapse date for certain funds, and for other purposes.

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

1 Section 1. Section 8 of Public Law No. 12-50, as amended by
2 Public Laws Nos. 12-53 and 12-74, is hereby further amended to
3 read as follows:

4 "Section 8. Grants, Subsidies and Contributions.

5 The sum of \$2,429,791, or so much thereof as may be
6 necessary, is hereby appropriated from the General Fund
7 of the Federated States of Micronesia for the fiscal
8 year ending September 30, 2003, for the following
9 grants, subsidies and contributions during fiscal year
10 2003. The sum appropriated by this section shall be
11 apportioned as follows:

- 12 (1) Department of Foreign Affairs
- 13 (a) Forum Secretariat\$ 35,000
- 14 (b) The Pacific Community 30,000
- 15 (c) United Nations Economic and Social
- 16 Commission for Asia and the Pacific (ESCAP) 5,000
- 17 (d) United Nations Membership Fee ... 100,000

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1	(e) East-West Center	\$ 10,000
2	(2) Department of Finance and Administration	
3	(a) ACP/EU Membership	24,000
4	(3) Department of Economic Affairs	
5	(a) Pacific Islands Development Program	15,000
6	(b) Forum Fisheries Agency (FFA)	21,000
7	(c) United Nations Development	
8	Program (UNDP)	3,000
9	(d) Coordinating Commission for	
10	Offshore Mineral Prospecting (CCOMP)	8,000
11	(e) Plant Protection Program	60,000
12	(f) Pacific Asian Travel	
13	Association (PATA)	5,000
14	(g) The FSM Coastal Fisheries	
15	Consortium	11,702
16	(h) FSM Giant Clam Culture	11,440
17	(i) National Plant Protection and	
18	Quarantine Communication Program	29,700
19	(j) NFC-OPIC Loan Payment	145,000
20	(4) Department of Health, Education and	
21	Social Affairs	
22	(a) United Nations Funds for	
23	Population Activity	3,000
24	(b) South Pacific Regional Environmental	
25	Program (SPREP)	7,375

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1	(c) Aid to Non-Public Schools	\$ 500,000
2	(d) Financial Assistance for FSM	
3	Students at College of Marshall Islands (CMI)	
4	and Palau Community College (PCC) to be deemed	
5	to come from funds available under section	
6	216(a) (3) of the Compact of Free Association.	50,000
7	(e) World Health Organization (WHO)	
8	membership fee	41,385
9	(f) National Board of Nursing	38,000
10	(g) Pacific Islands Health Officers	
11	Association (PIHOA)	20,000
12	(h) National Close-Up Local Program .	64,000
13	(i) FSM Amateur Sports Association ..	35,000
14	(j) College of Micronesia Board Meeting	5,000
15	(k) Association of Territorial Health	
16	Association	2,000
17	(l) FSM Red Cross	50,000
18	(m) Aid to Xavier High School	50,000
19	(5) Department of Justice; Joint Law	
20	Enforcement:	
21	(a) Kosrae Joint Law Enforcement	50,000
22	(b) Pohnpei Joint law Enforcement ...	85,000
23	(c) Chuuk Joint Law Enforcement	95,000
24	(d) Yap Joint Law Enforcement	60,000
25	(6) Department of Transportation,	

1	Communication and Infrastructure	
2	(a) Asia Pacific Telecommunity to	
3	be deemed to come from funds available under	
4	section 215(a)(2) of the Compact of Free	
5	Association for telecommunications	\$ 9,000
6	(b) International Telecommunication	
7	Union to be deemed to come from funds available	
8	under section 215(a)(2) of the Compact of Free	
9	Association for telecommunications	57,639
10	(c) International Civil Aviation	
11	Organization	28,050
12	(d) Micronesian Shipping Commission .	10,000
13	(7) Coconut Development Authority	
14	(a) Copra Subsidy	150,000
15	(b) Asia Pacific Coconut Community ..	15,500
16	(8) Other grants, subsidies and	
17	contributions, of which \$106,000, as allocated	
18	by subsections (a)(ii), (b)(ii), (c)(ii) and	
19	(d)(ii) below, shall be deemed to come from	
20	funds available under section 216(a)(3) of the	
21	Compact of Free Association.	
22	(a) Kosrae Judiciary	
23	(i) Unrestricted	25,000
24	(ii) Law School Scholarships	40,000
25	(b) Pohnpei Judiciary	

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1	(i) Unrestricted	\$ 72,000
2	(ii) Law School Scholarships	18,000
3	(c) Chuuk Judiciary	
4	(i) Unrestricted	72,000
5	(ii) Law School Scholarships,	
6	including participation in the COM Trial	
7	Counselor Certificate program	18,000
8	(d) Yap Judiciary	
9	(i) Unrestricted	40,000
10	(ii) Law School Scholarships	30,000
11	(e) Micronesian Legal Services (MLSC)	
12	150,000	
13	(f) COM Treaty Obligations	25,000"

14 Section 2. Section 13 of Public Law No. 12-50, as amended
 15 and restated by Public Law No. 12-53 and amended by Public Laws
 16 Nos.

17 12-74 and 13-01, is hereby further amended to read as follows:

18 "Section 13. Capital and Human Resource Development.
 19 The sum of \$12,382,572, or so much thereof as may be
 20 necessary, is hereby appropriated from the General Fund
 21 of the Federated States of Micronesia for the fiscal
 22 year ending September 30, 2003, for capital improvement,
 23 development programs and projects and human resource
 24 development. The sum appropriated under this section
 25 shall be apportioned as follows:

1	(1) College of Micronesia - FSM	
2	(a) Operations of the College of	
3	Micronesia-FSM, including planning, construction	
4	of new facilities and maintenance of the	
5	newly completed multi-purpose gymnasium ...\$	3,220,000
6	(b) Student assistance for tuition	
7	and housing to be deemed to come from section	
8	216(a) (3) of the Compact of Free Association	
9	PROVIDED that only students maintaining	
10	a passing grade point average will be eligible	
11	to receive these grants	475,000
12	(c) COM-FSM National Campus Standby	
13	Generator	-0-
14	(d) COM-FSM National Campus Well	
15	Drilling to be deemed to come from the	
16	capital account funds available under	
17	section 211 of the Compact of Free	
18	Association	30,000
19	(e) FSM Fisheries and Maritime	
20	Institute	700,000
21	(2) Post-Secondary Educational Assistance to	
22	be deemed to come from section 216(a) (3) of the	
23	Compact of Free Association	
24	(a) Kosrae State	283,411
25	(b) Pohnpei State	639,693

1 (c) Chuuk State

2 (i) GPA-based Scholarships,
3 PROVIDED THAT the Department of Finance and
4 Administration of the Federated States of
5 Micronesia office in Chuuk shall issue any
6 funds directly to the respective
7 scholarship recipient\$ 140,000

8 (ii) Grants, PROVIDED THAT the
9 Department of Finance and Administration
10 of the Federated States of Micronesia
11 office in Chuuk shall issue any funds
12 directly to the respective grant recipient . 773,886

13 (d) Yap State

14 (i) Post-Secondary Educational
15 assistance 262,210

16 (ii) Scholarships grants for
17 Yapese students, with the following conditions:

18 (1) only students maintaining a grade point
19 average of 2.0 or higher shall be eligible to
20 receive these grants; (2) taking into
21 consideration all sources of assistance to
22 the recipient, no grant funds in excess of
23 the cost of tuition, room and board shall
24 be provided to any student; and (3) no more
25 than \$5,000 of these funds shall be given

1	to any individual student	95,000
2	(e) Graduate Scholarship - All States	100
3	(3) National Staff Upgrading to be deemed	
4	to come from the capital account funds	
5	available under section 211 of the Compact of	
6	Free Association	\$ 50,000
7	(4) President's Office Expansion and	
8	Security	-0-
9	(5) FSM Visitors Bureau to be deemed to	
10	come from the capital account funds available	
11	under section 211 of the Compact of Free	
12	Association	378,000
13	(6) FSM Development Bank - Business	
14	Development Loan Program to be deemed to come	
15	from the capital account funds available	
16	under section 211 of the Compact of	
17	Free Association	1,000,000
18	(7) FSM Trust Fund - Account 'S', of which	
19	\$709,640 shall be deemed to come from capital	
20	account funds available under section 211,	
21	\$130,506 shall be deemed to come from funds	
22	available under section 214(b), \$1,094,573	
23	shall be deemed to come from funds available	
24	under section 215(a)(2), \$8,000 shall be	
25	deemed to come from funds available under	

1	section 215(b) (2) and \$346,462 shall be	
2	deemed to come from funds available under	
3	section 221(b) of the Compact of Free	
4	Association	\$ 3,000,000
5	(8) FSM Household Income and Expenditure	
6	Survey	-0-
7	(9) M.S. Caroline Voyager Dry-docking to	
8	be deemed to come from the capital account	
9	funds available under section 211 of the	
10	Compact of Free Association	510,000
11	(10) FSM Capital Water Well Renovation to	
12	be deemed to come from the capital account	
13	funds available under section 211 of the	
14	Compact of Free Association	225,000
15	(11) EMPAT Phase III, \$64,000 of which	
16	shall be deemed to come from funds available	
17	under section 216(a) (3) of the Compact of Free	
18	Association	117,703
19	(12) 3 rd Convention of the FSM Coastal	
20	Fisheries Consortium	12,239
21	(13) FSM Capitol Complex Infrastructure	
22	Program	-0-
23	(14) FSM Public Defender Office Expansion	
24	(Pohnpei Office) to be deemed to come from the	
25	capital account funds available under section	

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1	211 of the Compact of Free Association	45,000
2	(15) FSM Judiciary Branch Office Renovation	
3	(Chuuk and Yap) to be deemed to come from the	
4	capital account funds available under section	
5	211 of the Compact of Free Association\$	73,430
6	(16) Public Auditor's Office Construction	
7	to be deemed to come from the capital account	
8	funds available under section 211 of the	
9	Compact of Free Association	80,000
10	(17) Outer Island Airport Projects to be	
11	deemed to come from the capital account	
12	funds available under section 211 of the	
13	Compact of Free Association:	
14	(a) Ta Airport	52,000
15	(b) Houk Airport	120,000"

Section 3. Section 16 of Public Law No. 12-50, as amended and restat

"Section 16. 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;

(b) The allottees shall be responsible for ensuring that these funds, or so much thereof as may be

1 necessary, are used solely for the purposes specified in
2 this act, and that no obligations are incurred in excess
3 of the sum appropriated.

4 (2) *Allottees*. The allottees of the funds
5 appropriated by this act are as follows:

6 (a) section 2 - the allottee of these funds shall
7 be the President of the Federated States of Micronesia;

8 (b) section 3 - the allottee of these funds shall
9 be the Speaker of the Congress of the Federated States
10 of Micronesia;

11 (c) section 4 - the allottee of these funds shall
12 be the Chief Justice of the Supreme Court of the
13 Federated States of Micronesia;

14 (d) section 5 - the allottee of these funds shall
15 be the Public Auditor of the Federated States of
16 Micronesia;

17 (e) section 6 through 13 - the allottee of these
18 funds shall be the President of the Federated States of
19 Micronesia; EXCEPT THAT for the following subsections of
20 section 6 through 13 of this act, the allottees shall
21 be:

22 (i) section 8, subsection (5) - the allottee
23 of these funds shall be the President of the Federated
24 States of Micronesia;

25 (ii) section 8, subsection (8)(a) through

1 (8) (d) - the allottee of these funds shall be Chief
2 Justice of the respective state;

3 (iii) section 13, subsection (1) (a) through
4 (1) (d) - the allottee of these funds shall be the
5 President of the College of Micronesia-FSM;

6 (iv) section 13, subsection (2) (a) through
7 (2) (d) - the allottee of these funds shall be the
8 Governor of the respective state, EXCEPT THAT the
9 allottee for funds allocated to Chuuk State under
10 subsection (2) (c) shall be the Chuuk State Commission on
11 Improvement Projects and the allottee for funds
12 allocated to Yap State under subsection (2) (d) (ii) shall
13 be the President of the Federated States of Micronesia;
14 and

15 (v) Section 13, subsection (15) - the
16 allottee of these funds shall be the Chief Justice of
17 the Supreme Court of the Federated States of Micronesia.

18 (3) *Lapse Dates.* The authority of the allottees to
19 obligate funds appropriated by this act shall lapse as
20 of September 30, 2003, EXCEPT that funds appropriated
21 under section 13 of this act shall not lapse and the
22 funds appropriated under section 7, subsection (2) of
23 this act shall lapse as of April 30, 2004."
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Section 4. 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 23, 2003

/s/ Redley Killion
for Joseph J. Urusemal
President
Federated States of Micronesia

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