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A BILL FOR AN ACT

To further amend Public Law No. 14-80, as amended by Public Laws Nos. 14-95 and 14-99, the FY 2007 budget, by further amending sections 1, 2, 3, 4, 6, 8, 9 and 12 thereof, for the purpose of appropriating \$2,368,036 in supplemental funding from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 2007, to provide for the operations of the Executive Branch, national agencies, various programs, grants, subsidies, and contributions, and for other purposes.

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

1           Section 1. The title of Public Law No. 14-80, as amended by  
2 Public Laws Nos. 14-95 and 14-99, is hereby further amended to  
3 read as follows:

4            "To appropriate the sum of \$36,662,652.62 from the  
5 General Fund of the Federated States of Micronesia for  
6 the fiscal year ending September 30, 2007 for the  
7 purpose of funding the operations of all branches of the  
8 National Government of the Federated States of  
9 Micronesia, its agencies, various programs, grants,  
10 subsidies and contributions and to establish a capital  
11 and human resources development budget for the fiscal  
12 year 2007, and for other purposes."

13          Section 2. Section 1 of Public Law No. 14-80, as amended by  
14 Public Laws Nos. 14-95 and 14-99, is hereby further amended to  
15 read as follows:

16            "Section 1. An annual budget in the amount of  
17 \$36,662,652.62 for the fiscal year ending September 30,

1           2007 is hereby approved. There is hereby appropriated  
2           from the General Fund of the Federated States of  
3           Micronesia for the fiscal year ending September 30, 2007  
4           the sum of \$36,662,652.62 for the purpose of funding the  
5           operations of all branches of the National Government of  
6           the Federated States of Micronesia, its agencies,  
7           various programs, grants, subsidies and contributions;  
8           and capital and human resource development for the  
9           fiscal year ending September 30, 2007. The sum  
10          appropriated herein shall be apportioned as follows:"

11          Section 3. Section 2 of Public Law No. 14-80, as amended by  
12          Public Laws Nos. 14-95 and 14-99, is hereby further amended to  
13          read as follows:

14                 "Section 2. Operating expenses of the Executive Branch.  
15                 The sum of \$15,759,217 or so much thereof as may be  
16                 necessary, is hereby appropriated from the General Fund  
17                 of the Federated States of Micronesia for the fiscal  
18                 year ending September 30, 2007, for the purpose of  
19                 funding the operations of the Executive Branch of the  
20                 National Government for the fiscal year 2007. The sum  
21                 appropriated by this section shall be apportioned as  
22                 follows:

23                         (1) Office of the President.  
24                         \$605,517, or so much thereof as may be necessary, for the  
25                         operations of the Office of the President for the fiscal year

1 2007. The sum appropriated herein shall be apportioned as  
 2 follows:

3	Personnel .....	\$ 267,341
4	Travel .....	98,176
5	Contractual Services .....	145,000
6	OCE .....	70,000
7	Fixed Assets .....	25,000

8 (2) Department of Foreign Affairs.

9 \$2,964,306, or so much thereof as may be  
 10 necessary, for the operations of the  
 11 Department of Foreign Affairs for the fiscal  
 12 year 2007. The sum appropriated herein shall  
 13 be apportioned as follows:

14	Personnel .....	\$ 1,172,209
15	Travel .....	147,860
16	Contractual Services .....	1,374,907
17	OCE .....	267,850
18	Fixed Assets .....	1,480

19 (3) Department of Finance and Administration.

20 \$2,570,323 or so much thereof as may be  
 21 necessary, for the operations of the  
 22 Department of Finance and Administration for  
 23 the fiscal year 2007. The sum appropriated  
 24 herein shall be apportioned as follows:

25	Personnel .....	\$ 1,298,426
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1	Travel .....	246,775
2	Contractual Services .....	652,088
3	OCE .....	331,834
4	Fixed Assets .....	41,200

(4) Department of Economic Affairs.

5 \$1,174,769, or so much thereof as may be  
6 necessary, for the operations of the  
7 Department of Economic Affairs for the fiscal  
8 year 2007. The sum appropriated herein shall  
9 be apportioned as follows:  
10

11	Personnel .....	\$ 833,325
12	Travel .....	69,169
13	Contractual Services .....	112,275
14	OCE .....	138,000
15	Fixed Assets .....	22,000

16 (5) Department of Transportation, Communication and  
17 Infrastructure.

18 \$1,585,990, or so much thereof as may be  
19 necessary, for the operations of the  
20 Department of Transportation, Communications  
21 and Infrastructure for the fiscal year  
22 2007. The sum appropriated herein shall be  
23 apportioned as follows:

24	Personnel .....	\$ 579,942
25	Travel .....	\$ 103,000

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1	Contractual Services .....	825,048
2	OCE .....	70,000
3	Fixed Assets .....	8,000

4           (6) Department of Health, Education and Social  
5           Affairs.

6           \$2,710,685, or so much thereof as may be  
7           necessary, for the operations of the  
8           Department of Health, Education and Social  
9           Affairs for the fiscal year 2007. Of the  
10          total funds appropriated herein, \$359,080  
11          shall be deemed to come from funds available  
12          under the amended Compact for the education  
13          sector, \$767,164 from the health sector, and  
14          \$1,287,688 from the supplemental education  
15          grant (SEG) for fiscal year 2006, provided  
16          that, these funds shall not be allotted or  
17          obligated until such time as formal approval  
18          has been obtained in accordance with the  
19          Amended Compact of Free Association. The sum  
20          appropriated herein shall be apportioned as  
21          follows:

22	Personnel .....	\$ 803,480
23	Travel .....	259,211
24	Contractual Services .....	186,387
25	OCE .....	\$ 1,456,907

1	Fixed Assets .....	4,700
2	(7) <u>Department of Justice.</u>	
3	\$2,689,589, or so much thereof as may be	
4	necessary, for the operations of the	
5	Department of Justice for the fiscal year	
6	2007. The sum appropriated herein shall be	
7	apportioned as follows:	
8	Personnel.....	\$ 1,844,130
9	Travel.....	104,000
10	Contractual Services.....	140,100
11	OCE .....	565,359
12	Fixed Assets .....	36,000
13	(8) <u>Office of the Public Defender.</u>	
14	\$635,991, or so much thereof as may be	
15	necessary, for the operations of the Office of	
16	the Public Defender for the fiscal year 2007.	
17	The sum appropriated herein shall be	
18	apportioned as follows:	
19	Personnel .....	\$ 458,244
20	Travel .....	69,503
21	Contractual Services .....	52,044
22	OCE .....	47,350
23	Fixed Assets .....	8,850
24	(9) <u>Office of Compact Management.</u>	
25	\$822,047, or so much thereof as may be	

1 necessary, for the operations of the Office of  
 2 Compact Management for the fiscal year 2007.  
 3 Of the total funds appropriated herein,  
 4 \$300,000 shall be deemed to come from funds  
 5 available under the amended Compact carryover  
 6 from fiscal year 2005 and shall be used for  
 7 foreign consultant fees, provided that, these  
 8 funds shall not be allotted or obligated until  
 9 such time as formal approval has been obtained  
 10 in accordance with the amended Compact. The  
 11 sum appropriated herein shall be apportioned  
 12 as follows:

13	Personnel .....	\$ 97,247
14	Travel .....	70,000
15	Contractual Services .....	602,800
16	OCE .....	34,000
17	Fixed Assets .....	18,000"

18 Section 4. Section 3 of Public Law No. 14-80, as amended by  
 19 Public Law No. 14-99, is hereby amended to read as follows:

20 "Section 3. Operating expenses of the  
 21 Legislative Branch. The sum of \$3,357,164, or  
 22 so much thereof as may be necessary, is hereby  
 23 appropriated from the General Fund of the  
 24 Federated States of Micronesia for the fiscal  
 25 year ending September 30, 2007, for the

1 operations of the Legislative Branch of the  
 2 National Government for the fiscal year 2007.  
 3 The sum appropriated by this section shall be  
 4 apportioned as follows:

5 (1) Speaker and Members.

6 \$1,542,771, or so much thereof as may be  
 7 necessary, for the operations of the Office of  
 8 the Speaker and Members of the Congress of the  
 9 Federated States of Micronesia for the fiscal  
 10 year 2007. The sum appropriated herein shall  
 11 be apportioned as follows:

12	Personnel .....	\$	415,290
13	Travel .....		464,881
14	Contractual Services .....		612,600
15	OCE .....		50,000

16 (2) Staff Offices.

17 \$1,274,393, or so much thereof as may be  
 18 necessary, for the operations of the Congress  
 19 staff offices for the fiscal year 2007. The  
 20 sum appropriated herein shall be apportioned  
 21 as follows:

22	Personnel .....	\$	822,962
23	Travel .....		134,371
24	Contractual Services .....		168,500
25	OCE .....	\$	122,340



1 Fixed Assets ... .. 26,220

2 (3) Congress Delegation Offices.

3 \$540,000, or so much thereof as may be

4 necessary, for the operations of the Congress

5 delegation offices for the fiscal year 2007.

6 The sum appropriated herein shall be

7 apportioned as follows:

8 (a) Kosrae Delegation Office .....\$ 80,000

9 (b) Pohnpei Delegation Office ..... 140,000

10 (c) Chuuk Delegation Office ..... 240,000

11 (d) Yap Delegation Office ..... 80,000"

12 Section 5. Section 4 of Public Law No. 14-80, as amended by

13 Public Law No. 14-99, is hereby amended to read as follows:

14 "Section 4. Operating Expenses of the National

15 Judiciary Branch. The sum of \$1,128,035, or so much

16 thereof as may be necessary, is hereby appropriated from

17 the General Fund of the Federated States of Micronesia

18 for the fiscal year ending September 30, 2007, for the

19 operations of the Judiciary Branch of the National

20 Government for the fiscal year 2007. The sum

21 appropriated by this section shall be apportioned as

22 follows:

23 Personnel .....\$ 709,735

24 Travel ..... 105,000

25 Contractual Services .....\$ 126,900

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1	OCE .....	166,400
2	Fixed Assets .....	20,000"

3 Section 6. Section 6 of Public Law No. 14-80, as amended by  
4 Public Law No. 14-99, is hereby further amended to read as  
5 follows:

6 "Section 6. Operating Expenses of agencies of the  
7 National Government. The sum of \$1,513,974, or so much  
8 thereof as may be necessary, is hereby appropriated from  
9 the General Fund of the Federated States of Micronesia  
10 for the fiscal year ending September 30, 2007, for the  
11 operations of the following boards, commissions and  
12 agencies for the fiscal year 2007. The sum appropriated  
13 by this section shall be apportioned as follows:

14 (1) National Oceanic Resource Management Authority  
15 (NORMA).

16 \$377,606, or so much thereof as may be  
17 necessary, for the operations of NORMA for the  
18 fiscal year 2007. The sum appropriated herein  
19 shall be apportioned as follows:

20	Personnel .....	\$ 192,506
21	Travel .....	75,000
22	Contractual Service .....	71,700
23	OCE .....	38,400

24 (2) Board of Regents (COM-FSM).  
25 \$58,000, or so much thereof as may be

1 necessary, for the operations of the Board of  
 2 Regents, COM-FSM for the fiscal year 2007.

3 The sum appropriated herein shall be  
 4 apportioned as follows:

5	Personnel .....	\$	-0-
6	Travel .....		51,000
7	Contractual Services .....		10,000
8	OCE .....		7,000
9	Fixed Assets .....		-0-

10 (3) Coconut Development Authority (CDA).

11 \$88,721, or so much thereof as may be  
 12 necessary, for the operations of the Coconut  
 13 Development Authority for the fiscal year  
 14 2007. The sum appropriated herein shall be  
 15 apportioned as follows:

16	Personnel .....	\$	67,721
17	Travel .....		5,000
18	Contractual Services .....		6,000
19	OCE .....		10,000
20	Fixed Assets .....		-0-

21 (4) FSM Banking Board.

22 \$219,206, or so much thereof as may be  
 23 necessary, for the operations of the FSM  
 24 Banking Board for the fiscal year 2007. The  
 25 sum appropriated herein shall be apportioned

1 as follows:

2	Personnel .....	\$ 89,104
3	Travel .....	39,400
4	Contractual Services .....	52,061
5	OCE .....	17,996
6	Fixed Assets .....	20,645

7 (5) FSM Postal Services.

8 \$670,441, or so much thereof as may be  
 9 necessary, for the operations of the National  
 10 Postal Services for the fiscal year 2007. The  
 11 sum appropriated herein shall be apportioned  
 12 as follows:

13	Personnel .....	\$ 409,041
14	Travel, \$10,000 of which is to be used	
15	exclusively for the purpose of negotiating	
16	postal services to the FSM provided by the	
17	US Postal Service .....	51,000
18	Contractual Services .....	125,000
19	OCE .....	85,400
20	Fixed Assets .....	-0-

21 (6) National Fisheries Corporation (NFC).

22 \$100,000, or so much thereof as may be  
 23 necessary, for the operations of the National  
 24 Fisheries Corporation for the fiscal year  
 25 2007. The sum appropriated herein shall be

1           apportioned as follows:

2           NFC operations subsidy .....\$       100,000  
 3           Air freight subsidy .....               -0-

4       Section 7. Section 8 of Public Law No. 14-80, as amended by  
 5 Public Law No. 14-95, is hereby further amended to read as  
 6 follows:

7           "Section 8. Grants, Subsidies and Contributions. The  
 8 sum of \$4,937,837.62 or so much thereof as may be  
 9 necessary, is hereby appropriated from the General Fund  
 10 of the Federated States of Micronesia for the fiscal  
 11 year ending September 30, 2007, for the following  
 12 grants, subsidies and contributions during fiscal year  
 13 2007. The sum appropriated by this section shall be  
 14 apportioned as follows:

- 15           (1) Department of Foreign Affairs.
- 16                   (a) Pacific Islands Forum Secretariat \$       46,000  
 17                   (b) Secretariat for the Pacific  
 18           Community (SPC) .....               56,000  
 19                   (c) UN and Specialized Agencies (UN)       60,000  
 20                   (d) UN Economic and Social Commission  
 21           for Asia and the Pacific (ESCAP) .....       5,000  
 22                   (e) East-West Center .....               5,000  
 23                   (f) United Nations Development  
 24           Program (UNDP) .....               23,500  
 25                   (g) Activities in preparation for the

1	establishment of an FSM embassy in	
2	Beijing .....	\$ 207,585
3	(h) Activities in honor of the	
4	FSM's 20th Independence Anniversary .....	0
5	(2) <u>Department of Finance and Administration.</u>	
6	(a) National Authorizing Committee	
7	(ACP/EU) .....	0
8	(b) OCO Membership Fee .....	2,000
9	(c) Maintenance fee for Financial	
10	Management Information System .....	60,000
11	(3) <u>Department of Economic Affairs.</u>	
12	(a) Pacific Islands Development	
13	Program .....	15,000
14	(b) Forum Fisheries Agency (FFA) ....	21,000
15	(c) UN Development Program .....	3,000
16	(d) Coordinating Committee for	
17	Offshore Minerals Prospecting (SOPAC) .....	40,000
18	(e) Pacific Asia Travel Association .	5,000
19	(f) UN Environmental Program (UNEP) .	600
20	(g) Western Forestry Leadership	
21	Coalition .....	-0-
22	(h) Seaframe Program .....	-0-
23	(i) Food Agriculture Organization (FAO)	4,700
24	(j) UN Framework Convention .....	250
25	(k) National Association of State	

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1	Foresters .....	\$	-0-
2	(1) National Environmental		
3	Speech Contest .....		-0-
4	(m) FA/TCP Matching .....		34,500
5	(n) Matching for SPC Projects .....		60,000
6	(o) Tourism activities, provided that,		
7	no funds shall be allotted until such time as		
8	the Tourism Unit has submitted a plan for the		
9	use of the funds to the Standing Committee on		
10	Resources and Development and received written		
11	approval of the plan from the Chairman of the		
12	Committee .....		50,000
13	(4) <u>Department of Health, Education and</u>		
14	<u>Social Affairs.</u>		
15	(a) UN Fund for Population		
16	Activity (UNFPA) .....		3,000
17	(b) South Pacific Regional		
18	Environmental Program (SPREP) .....		7,375
19	(c) Aid to Non-Public Schools .....		300,000
20	(d) Financial Assistance to FSM		
21	Students attending College of Marshalls		
22	and Palau Community College .....		50,000
23	(e) World Health Organization (WHO) .		41,385
24	(f) National Board of Nursing .....		10,000
25	(g) Pacific Islands Health		

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1	Officers Association .....	\$ 20,000
2	(h) National Close-Up Local Program .	64,000
3	(i) FSM Amateur Sports Association ..	20,000
4	(j) College of Micronesia Board (COM)	5,000
5	(k) Association of Territorial	
6	Health Organization .....	2,000
7	(l) FSM Red Cross .....	70,000
8	(m) UNESCO .....	4,000
9	(n) Independent professional evaluations,	
10	including but not limited to the evaluation of the	
11	national student testing systems and a personnel audit	
12	of the Chuuk State school system, provided that all	
13	funds appropriated herein shall be deemed to come from	
14	funds available under the amended Compact for the	
15	Education Sector, and provided that, these funds shall	
16	not be allotted or obligated until such time as formal	
17	approval has been obtained in accordance with the	
18	amended Compact .....	200,000
19	(o) Fuel, utilities, communication,	
20	equipment and contractual services for the	
21	Division of Education, provided that all funds	
22	appropriated herein shall be deemed to come	
23	from funds available under the amended Compact	
24	for the Education Sector, and provided that,	
25	these funds shall not be allotted or obligated	



1           until such time as formal approval has been  
2           obtained in accordance with the  
3           amended Compact .....\$       45,068

4                       (p) \$57,000 for Division of Health  
5           projects and programs, provided that, all  
6           funds appropriated herein shall be deemed to  
7           come from funds available under the amended  
8           Compact for the Health Sector, and provided  
9           that, these funds shall not be allotted or  
10          obligated until such time as formal approval  
11          has been obtained in accordance with the  
12          amended Compact. The sum appropriated herein  
13          shall be apportioned as follows:

14                       (i) Projected shortfalls in  
15          communications .....       2,000

16                       (ii) Drugs and medical supplies  
17          for Mental Health & Substance Abuse Program       10,000

18                       (iii) Contracting off-island  
19          visiting medical specialists .....       28,000

20                       (iv) TB & STD clinic supplies  
21          for the State governments .....       3,000

22                       (v) Travel for off-island  
23          visiting medical specialists .....       14,000

24                       (q) National Scholarship Fund, provided that, all  
25          funds appropriated herein shall be deemed to come from

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1	funds available from the Supplemental Education Grant	
2	(SEG) for fiscal year 2006, and provided that, these	
3	funds shall not be allotted or obligated until such time	
4	as formal approval has been obtained in accordance with	
5	the amended Compact .....	\$ 141,777
6	(5) <u>Department of Transportation,</u>	
7	<u>Communications and Infrastructure.</u>	
8	(a) Asia-Pacific Telecommunity (APT)	7,640
9	(b) International Telecommunications	
10	Union (ITU) .....	55,000
11	(c) International Civil Aviation	
12	Organization .....	28,050
13	(d) Micronesian Shipping Commission .	10,000
14	(e) FSM Capital	
15	Energy/Utilities .....	390,000
16	(f) Marine and aviation	
17	skills updating .....	50,000
18	(6) <u>Coconut Development Authority (CDA).</u>	
19	(a) Copra Subsidy .....	50,000
20	(b) Asia Pacific Coconut	
21	Community (APCC) .....	15,000
22	(c) Pilot Plant Project .....	49,300
23	(7) Other Grants, Subsidies and Contributions.	
24	(a) Kosrae Judiciary subsidy .....	30,000
25	(b) Pohnpei Judiciary subsidy .....	\$ 45,000

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1	(c) Chuuk Judiciary subsidy .....	45,000
2	(d) Yap Judiciary subsidy .....	20,000
3	(e) COM Treaty Obligations .....	25,000
4	(f) Micronesian Legal Services	
5	Corporation .....	150,000
6	(g) States Joint Law Enforcement, provided that	
7	\$25,000 shall go to Kosrae State, \$50,000 shall go to	
8	Pohnpei State, \$50,000 shall go to Chuuk State and	
9	\$25,000 shall go to Yap State .....	150,000
10	(h) Tuna Commission Membership .....	16,000
11	(i) Disaster Assistance Emergency	
12	Fund (DAEF) Matching .....	200,000
13	(k) Maritime Boundary Delimitation ..	43,500
14	(l) Yap Judiciary subsidy to be used	
15	solely to fund scholarships for citizens of	
16	Yap who are studying law .....	10,000
17	(m) Passport Revolving Fund .....	233,607.62
18	(n) State of Kosrae, PROVIDED THAT the amount	
19	appropriated herein shall take the form of a loan, the	
20	terms of which have been agreed between the President	
21	and the Governor of Kosrae, to help the State recover	
22	from its current financial	
23	crisis.....	1,500,000
24	(o) May 2007 Presidential	
25	Inauguration .....	\$ 50,000

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1	(p) Micare, to be used to cover 10%	
2	increase in premiums for members of	
3	health plan .....	0
4	(q) Land Grant Treaty .....	25,000

5 Section 8. Section 9 of Public Law No. 14-80, as amended by  
6 Public Law No. 14-95, is hereby further amended to read as  
7 follows:

8 "Section 9. Capital and Human Resource Development.  
9 The sum of \$8,555,333, or so much thereof as may be  
10 necessary, is hereby appropriated from the General Fund  
11 of the Federated States of Micronesia for the fiscal  
12 year ending September 30, 2007, for the following  
13 capital improvements, development programs and projects  
14 and human resource development. The sum appropriated by  
15 this section shall be apportioned as follows:

16 (1) College of Micronesia-FSM.  
17 \$6,272,833, or so much thereof as may be necessary, for  
18 the operations, programs and projects of the College  
19 during fiscal year 2007. The sum appropriated herein  
20 shall be apportioned as follows:

21 (a) COM-FSM operations, PROVIDED THAT all funds  
22 appropriated herein shall be deemed to come from funds  
23 available under the amended Compact for the Education  
24 Sector, provided further that, \$52,833 of these funds  
25 shall be used only for fuel, utilities, communication,

1 equipment and contractual services, and provided that,  
 2 these funds shall not be allotted or obligated until  
 3 such time as formal approval has been obtained in  
 4 accordance with the Amended Compact of Free  
 5 Association .....\$ 3,852,833  
 6 (b) Fisheries and Maritime Institute 650,000  
 7 (c) COM-FSM State Campus Facility  
 8 Improvement, PROVIDED THAT the sum  
 9 appropriated herein shall be deemed to come  
 10 from funds available under the amended Compact  
 11 for Infrastructure Development Sector and,  
 12 provided that, these funds shall not be  
 13 allotted or obligated until such time as  
 14 formal approval has been obtained in  
 15 accordance with the Amended  
 16 Compact of Free Association ..... 1,500,000  
 17 (d) COM-FSM Work Study Program, Student  
 18 Assistance and Summer Study Program, PROVIDED THAT the  
 19 General Fund shall be reimbursed for any expenditures  
 20 under this subsection from Supplemental Education Grant  
 21 (SEG) funds for fiscal year 2007 once  
 22 these funds are made available ..... 270,000  
 23 (2) Department of Finance and Administration.  
 24 (a) National Staff Upgrading ..... 50,000  
 25 (b) Asian Development Bank

1	MLFC Loan .....	\$	0
2	(3) <u>Department of Economic Affairs.</u>		
3	(a) FSM Tourism Promotion .....		100,000
4	(b) FSM Trade and FDI Project .....		75,000
5	(c) Diversification of Energy .....		125,000
6	(d) Crop Production Improvement .....		15,000
7	(4) <u>Department of Transportation, Communication and</u>		
8	<u>Infrastructure.</u>		
9	(a) Dry Docking of MS Voyager PROVIDED THAT of		
10	the amount appropriated herein \$756,592 shall come from		
11	funds available under the amended Compact for		
12	Infrastructure Development Sector and, provided that,		
13	these funds shall not be allotted or obligated until		
14	such time as formal approval has been obtained in		
15	accordance with the Amended Compact of		
16	Free Association .....	\$	880,000
17	(b) Tuna Commission Headquarters		
18	Supplement .....		-0-
19	(5) <u>Department of Justice.</u>		
20	(a) FSM Patrol Boat Slipping .....		250,000
21	(b) Construction of 2 fuel tanks .....		-0-
22	(6) <u>FSM Postal Services.</u>		
23	(a) Pohnpei Post Office renovation ..		50,000
24	(7) <u>Infrastructure Maintenance Fund (IMF).</u>		
25	(a) IMF PROVIDED THAT \$118,750 of the funds		

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1           appropriated herein shall be deemed to come from funds  
2           available under the amended Compact for Infrastructure  
3           Development Sector and, provided that, these funds shall  
4           not be allotted or obligated until such time as formal  
5           approval has been obtained in accordance with the  
6           Amended Compact of Free Association .....\$           237,500

7           (8) FSM Development Bank.

8                   (a) Escrow Account USDA Housing Program           -0-

9           (9) FSM Trust Fund.

10                   (a) FSM Trust Fund created under the Amended  
11           Compact of Free Association .....           500,000"

12           Section 9. Section 11 of Public Law No. 14-80 is hereby  
13 amended as follows:

14           "Section 11. Reprogramming. Reprogramming of funds  
15           into or from the personnel budget line items shall not  
16           be permitted. Reprogramming of funds from any utilities  
17           or communications budget line items shall not be  
18           permitted. Reprogramming of funds appropriated for the  
19           operations of the various field offices within the  
20           Department of Justice and the Department of Finance and  
21           Administration shall not be permitted. The President  
22           may reprogram up to 10% to or from, whichever is less,  
23           from the funds appropriated to each department and  
24           office in section 2 (Operating expenses of the Executive  
25           Branch). Provided, that reprogramming of contractual

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1 funds appropriated to the Department of Transportation,  
2 Communications and Infrastructure to supply fuel for the  
3 Caroline Voyager shall not be permitted. Provided, that  
4 reprogramming of \$10,000 appropriated to the FSM Postal  
5 Services for the purpose of negotiating postal services  
6 to the FSM provided by the US Postal Service shall not  
7 be permitted. Reprogramming of funds within a  
8 department, office or agency shall be effected by the  
9 head of such department, office or agency by specifying  
10 in writing to the Secretary of Finance and  
11 Administration, FSM National Government, the accounts  
12 for which funding is either increased or decreased. The  
13 President shall report to Congress within one month of  
14 the last day of each financial quarter all amounts  
15 reprogrammed inter or intra a department, office or  
16 agency.

17 Section 10. Section 12 of Public Law No. 14-80 is hereby  
18 amended to read as follows:

19 "Section 12. Allotment and management of funds and  
20 lapse date.

21 (1) General Provisions.

22 (a) All funds appropriated by this act shall be  
23 allotted, managed, administered and accounted for in  
24 accordance with applicable law, including, but not  
25 limited to, the Financial Management Act of 1979 and the



1           amended Compact of Free Association between the United  
2           States Government and the Government of the Federated  
3           States of Micronesia and its related agreements.

4                   (b) The allottees shall be responsible for  
5           ensuring that these funds, or so much thereof as may be  
6           necessary, are used solely for the purpose specified in  
7           this act, and that no obligations are incurred in excess  
8           of the sum appropriated.

9           (2) Allottees. The allottee of the funds appropriated  
10          by this act are as follows:

11                   (a) Section 2 - the allottee of these funds shall  
12          be the President of the Federated States of Micronesia;

13                   (b) Section 3 - the allottee of these funds shall  
14          be the Speaker of the Congress of the Federated States  
15          of Micronesia;

16                   (c) Section 4 - the allottee of these funds shall  
17          be the Chief Justice of the Supreme Court of the  
18          Federated States of Micronesia;

19                   (d) Section 5 - the allottee of these funds shall  
20          be the Public Auditor of the Federated States of  
21          Micronesia;

22                   (e) Sections 6 through 9 - the allottee of these  
23          funds shall be the President of the Federated States of  
24          Micronesia, EXCEPT THAT for the following subsections of  
25          sections 8 through 9 of this act:

1 (i) section 8 subsection (7)(a) through (d)  
2 - the allottee of these funds shall be the Chief Justice  
3 of the respective state,

4 (ii) section 8 subsection (7)(l) - the  
5 allottee shall be the Yap Office of the Public Defender,

6 (iii) section 8 subsection (7)(n) - the  
7 allottee of these funds shall be the Governor of the  
8 State of Kosrae.

9 (iv) section 8 subsection (7)(q) the allottee  
10 of these funds shall be the President of the College of  
11 Micronesia-FSM.

12 (v) section 9(1)(a) through (d)- the  
13 allottee of these funds shall be the President of the  
14 College of Micronesia-FSM.

15 (3) Lapse Date. The authority of the allottee to  
16 obligate funds appropriated by this act shall lapse as  
17 of September 30, 2007, EXCEPT the funds appropriated  
18 under section 9 of this act shall not lapse."  
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24 Section 11. This act shall become law upon approval by the  
25 President of the Federated States of Micronesia or upon its

1 becoming law without such approval.

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3 Date: 3/26/07

Introduced by: /s/ Simiram Sipenuk

Simiram Sipenuk  
(by request)

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