

A BILL FOR AN ACT

To further amend section 8 of Public Law No. 14-80, as amended by Public Laws Nos. 14-95, 14-104, 15-1, and 15-04, for the purpose of forgiving the remaining balance of the recovery loan assistance extended to Kosrae State, and for other purposes.

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

1           Section 1. Purpose. The purpose of this act is to absolve  
2 Kosrae State from repayment of the loan provided them by the  
3 National Government in 2007. Through Public Law No. 14-104, the  
4 National Government provided loan assistance to Kosrae State in  
5 the amount of \$1,500,000 to alleviate the financial crisis the  
6 state was then facing. The balance currently outstanding is  
7 \$1,310,000. Due to the current financial position of the State of  
8 Kosrae, it is prudent the National Government extend further  
9 assistance by forgiving the loan balance of \$1,310,000.

10           Section 2. Section 8 of Public Law No. 14-80, as amended by  
11 Public Laws No. 14-95, 14-104, 15-01, and 15-04, is hereby further  
12 amended to read as follows:

13                   "Section 8. Grants, Subsidies and Contributions. The  
14                   sum of \$5,461,704.62 or so much thereof as may be  
15                   necessary, is hereby appropriated from the General Fund  
16                   of the Federated States of Micronesia for the fiscal  
17                   year ending September 30, 2007, for the following  
18                   grants, subsidies and contributions during fiscal year  
19                   2007. The sum appropriated by this section shall be

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1	apportioned as follows:	
2	(1) <u>Department of Foreign Affairs.</u>	
3	(a) Pacific Islands Forum Secretariat \$	46,000
4	(b) Secretariat for the Pacific	
5	Community (SPC) .....	56,000
6	(c) UN and Specialized Agencies (UN)	60,000
7	(d) UN Economic and Social Commission	
8	for Asia and the Pacific (ESCAP) .....	5,000
9	(e) East-West Center .....	5,000
10	(f) United Nations Development	
11	Program (UNDP) .....	23,500
12	(g) Activities in preparation for	
13	the establishment of an FSM embassy in	
14	Beijing .....	207,585
15	(h) Activities in honor of the	
16	FSM's 20th Independence Anniversary .....	0
17	(2) <u>Department of Finance and Administration.</u>	
18	(a) ACP Membership Fees .....	40,000
19	(b) OCO Membership Fee .....	2,000
20	(c) Maintenance fee for Financial	
21	Management Information System .....	60,000
22	(d) FMIS Project .....	211,954
23	(provided that this amount shall be deemed to	
24	come from funds available under the Amended	
25	Compact for public sector capacity building	

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1	grant.)	
2	(3) <u>Department of Economic Affairs.</u>	
3	(a) Pacific Islands Development	
4	Program .....	\$ 15,000
5	(b) Forum Fisheries Agency (FFA) ....	21,000
6	(c) UN Development Program .....	3,000
7	(d) Coordinating Committee for	
8	Offshore Minerals Prospecting (SOPAC) .....	40,000
9	(e) Pacific Asia Travel Association .	5,000
10	(f) UN Environmental Program (UNEP) .	600
11	(g) Western Forestry Leadership	
12	Coalition .....	-0-
13	(h) Seaframe Program .....	-0-
14	(i) Food Agriculture Organization (FAO)	4,700
15	(j) UN Framework Convention .....	250
16	(k) National Association of State	
17	Foresters .....	-0-
18	(l) National Environmental	
19	Speech Contest .....	-0-
20	(m) FA/TCP Matching .....	34,500
21	(n) Matching for SPC Projects .....	60,000
22	(o) Tourism activities, provided that,	
23	no funds shall be allotted until such time as	
24	the Tourism Unit has submitted a plan for the	
25	use of the funds to the Standing Committee on	

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1	Resources and Development and received written	
2	approval of the plan from the Chairman of the	
3	Committee .....	\$ 50,000
4	(4) <u>Department of Health, Education and</u>	
5	<u>Social Affairs.</u>	
6	(a) UN Fund for Population	
7	Activity (UNFPA) .....	3,000
8	(b) South Pacific Regional	
9	Environmental Program (SPREP) .....	7,375
10	(c) Aid to Non-Public Schools .....	300,000
11	(d) Financial Assistance to FSM	
12	Students attending College of Marshalls	
13	and Palau Community College .....	50,000
14	(e) World Health Organization (WHO) .	41,385
15	(f) National Board of Nursing .....	10,000
16	(g) Pacific Islands Health	
17	Officers Association .....	20,000
18	(h) National Close-Up Local Program .	64,000
19	(i) FSM Amateur Sports Association ..	20,000
20	(j) College of Micronesia Board (COM)	5,000
21	(k) Association of Territorial	
22	Health Organization .....	2,000
23	(l) FSM Red Cross .....	70,000
24	(m) UNESCO .....	4,000
25	(n) Independent professional evaluations,	

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1 including but not limited to the evaluation of the  
2 national student testing systems and a personnel audit  
3 of the Chuuk State school system, provided that all  
4 funds appropriated herein shall be deemed to come from  
5 funds available under the amended Compact for the  
6 Education Sector, and provided that, these funds shall  
7 not be allotted or obligated until such time as formal  
8 approval has been obtained in accordance with the  
9 amended Compact .....\$ 200,000

10 (o) Fuel, utilities, communication,  
11 equipment and contractual services for the  
12 Division of Education, provided that all funds  
13 appropriated herein shall be deemed to come  
14 from funds available under the amended Compact  
15 for the Education Sector, and provided that,  
16 these funds shall not be allotted or obligated  
17 until such time as formal approval has been  
18 obtained in accordance with the  
19 amended Compact .....\$ 45,068

20 (p) \$57,000 for Division of Health  
21 projects and programs, provided that, all  
22 funds appropriated herein shall be deemed to  
23 come from funds available under the amended  
24 Compact for the Health Sector, and provided  
25 that, these funds shall not be allotted or

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1 obligated until such time as formal approval  
2 has been obtained in accordance with the  
3 amended Compact. The sum appropriated herein  
4 shall be apportioned as follows:

5	(i) Projected shortfalls in	
6	communications .....	\$ 2,000
7	(ii) Drugs and medical supplies	
8	for Mental Health & Substance Abuse Program	10,000
9	(iii) Contracting off-island	
10	visiting medical specialists .....	28,000
11	(iv) TB & STD clinic supplies	
12	for the State governments .....	3,000
13	(v) Travel for off-island	
14	visiting medical specialists .....	14,000
15	(q) National Scholarship Fund,	
16	provided that, all funds appropriated	
17	herein shall be deemed to come from funds	
18	available from the Supplemental Education	
19	Grant (SEG) for fiscal year 2006, and	
20	provided that, these funds shall not be	
21	allotted or obligated until such time as	
22	formal approval has been obtained in	
23	accordance with the amended Compact .....	141,777

24 (5) Department of Transportation,  
25 Communications and Infrastructure.

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1	(a) Asia-Pacific Telecommunity (APT) \$	7,640
2	(b) International Telecommunications	
3	Union (ITU) .....	55,000
4	(c) International Civil Aviation	
5	Organization .....	28,050
6	(d) Micronesian Shipping Commission .	10,000
7	(e) FSM Capital	
8	Energy/Utilities .....	390,000
9	(f) Marine and Aviation fact-finding	
10	mission and student assistance .....	50,000
11	(6) <u>Coconut Development Authority (CDA).</u>	
12	(a) Copra Subsidy .....	50,000
13	(b) Asia Pacific Coconut	
14	Community (APCC) .....	15,000
15	(c) Pilot Plant Project .....	49,300
16	(7) <u>Other Grants, Subsidies and Contributions.</u>	
17	(a) Kosrae Judiciary subsidy .....	30,000
18	(b) Pohnpei Judiciary subsidy .....	45,000
19	(c) Chuuk Judiciary subsidy .....	45,000
20	(d) Yap Judiciary subsidy .....	20,000
21	(e) COM Treaty Obligations .....	25,000
22	(f) Micronesian Legal Services	
23	Corporation .....	150,000
24	(g) States Joint Law Enforcement,	
25	provided that \$25,000 shall go to Kosrae	

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1	State, \$50,000 shall go to Pohnpei State,	
2	\$50,000 shall go to Chuuk State and	
3	\$25,000 shall go to Yap State .....	\$ 150,000
4	(h) Tuna Commission Membership .....	16,000
5	(i) Disaster Assistance Emergency	
6	Fund (DAEF) Matching .....	200,000
7	(k) Maritime Boundary Delimitation ..	43,500
8	(l) Yap Judiciary subsidy to be used	
9	solely to fund scholarships for citizens of	
10	Yap who are studying law .....	10,000
11	(m) Passport Revolving Fund .....	233,607.62
12	(n) State of Kosrae, PROVIDED THAT	
13	the amount appropriated herein shall take	
14	the form of a loan, the terms of which have	
15	been agreed between the President and the	
16	Governor of Kosrae, to help the State	
17	recover from its current financial crisis; <u>the</u>	
18	<u>balance of the loan assistance provided by this</u>	
19	<u>subsection is hereby forgiven; the state of</u>	
20	<u>Kosrae is hereby absolved from its remaining</u>	
21	<u>obligations under any loan agreement entered</u>	
22	<u>into pursuant to this subsection</u> .....	\$ 1,500,000
23	(o) July 2007 Presidential	
24	Inauguration .....	74,000
25	(p) July 2007 Presidential	



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1	Inauguration - Congress funding to be	
2	divided as follows:	
3	(i) Kosrae Delegation .....	\$ 5,000
4	(ii) Yap Delegation .....	7,000
5	(iii) Chuuk Delegation .....	13,000
6	(iv) Pohnpei Delegation .....	1,000
7	Total .....	26,000
8	(q) MiCare, to be used to cover	
9	10% increase in premiums for members of	
10	health plan .....	16,913
11	(r) Land Grant Treaty .....	25,000
12	(s) Funeral expenses for former	
13	President Tosiwo Nakayama .....	55,000
14	(t) MLFC Loan Payment .....	90,000
15	(u) FSM Athletes to SP Games .....	60,000"

16 Section 3. This act shall become law upon approval by the  
17 President of the Federated States of Micronesia or upon its  
18 becoming law without such approval.

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Date: 2/6/12 Introduced by: /s/ Wesley W. Simina  
Wesley W. Simina