

A BILL FOR AN ACT

To further amend sections 303 and 306 of title 55 of the Code of the Federated States of Micronesia, as amended by Public Law No. 13-93, 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
2 Federated States of Micronesia, as amended by Public Law No.
3 13-93, is hereby further amended to read as follows:

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

6 (1) The Compact Budget Requests for Fiscal Years
7 2005 and 2006 of the National Government and of each
8 State Government under section 305 of this chapter
9 shall be based upon a division of Compact funds in
10 the following proportions:

11	Chuuk.....	38.57%
12	Kosrae.....	11.06
13	Pohnpei.....	25.69
14	Yap.....	16.03
15	National Government.....	8.65

16 (2) For Fiscal Years 2007 to 2014 [~~and~~
17 ~~thereafter~~], the chief executives of the
18 National Government and each of the State

1 Governments shall have the authority to enter,
2 from time to time, into one or more agreements
3 setting forth the proportionate amounts of
4 Compact funds that shall be the basis of each
5 Government's Compact Budget Request under
6 sections 305 and 306 of this chapter, provided
7 that the National Government's proportionate
8 amount of Compact funds for each Fiscal Year
9 shall be [~~ten percent (10%)~~] five percent (5%)
10 of the estimated level of Compact funding for
11 that year. An agreement regarding the division
12 of Compact funds, other than the National
13 Government's [~~ten percent (10%)~~] five percent
14 (5%) share, may be limited to a specified period
15 of time and shall only be effective when signed
16 by the chief executive of each and every
17 Government."

18 (3) The Compact Budget Requests for Fiscal
19 Years 2015 and thereafter of the National
20 Government and of each State Government under
21 section 305 of this chapter shall be based upon
22 a division of Compact Funds in the following
23 proportions:

24	<u>Chuuk.....</u>	<u>40.11%</u>
25	<u>Kosrae.....</u>	<u>11.05</u>

1	<u>Pohnpei.....</u>	<u>26.72</u>
2	<u>Yap.....</u>	<u>16.67</u>
3	<u>National Government.....</u>	<u>5.00</u>

4 (4) For Fiscal Year 2015 and thereafter, the chief
5 executives of the National Government and each of the
6 State Governments shall have the authority to enter,
7 from time to time, into one or more agreements setting
8 forth the proportionate amounts of Compact funds that
9 shall be the basis of each Government's Compact Budget
10 Request under sections 305 and 306 of this chapter,
11 provided that the National Government's proportionate
12 amount of Compact funds for each Fiscal Year shall be
13 five percent (5%) of the estimated level of Compact
14 funding for that year. An agreement regarding the
15 division of Compact funds, other than the National
16 Government's five percent (5%) share, may be limited to
17 a specified period of time and shall only be effective
18 when signed by the chief executive of each and every
19 Government."

20 Section 2. Section 306 of title 55 of the Code of
21 the Federated States of Micronesia, as amended by Public
22 Law No. 13-93, is hereby further amended to read as
23 follows:

24 "Section 306. Plan For the Division of Annual Economic
25 Assistance.

1 (1) The President shall consolidate the Compact
2 Budget Requests of all of the States and the National
3 Government Compact Budget Request, conforming with the
4 requirements of section 103 of this title, into the
5 Plan for the Division of Annual Economic Assistance.
6 The National Government compact Budget Request included
7 in the Plan for the Division of Annual Economic
8 Assistance shall constitute, for Fiscal Year 2007 and
9 each fiscal year thereafter, [~~ten percent (10%)~~] five
10 percent (5%) of the estimated level of Compact funding
11 for that year. No modification to a State's Compact
12 Budget Request shall be made in the consolidation
13 process without the prior consent of the relevant State
14 Government, except to the extent that such Compact
15 Budget Request exceeds the estimated levels of Compact
16 funding provided to that State Government pursuant to
17 section 304 of this chapter.

18 (2) No later than July 3 of the year preceding a
19 given Fiscal Year, the President shall submit the
20 Plan for the Division of Annual Economic Assistance
21 to the Government of the United States and shall
22 transmit a copy to Congress and to each State
23 Government."

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

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5 Date: 9/11/13

Introduced by: /s/ Joseph J. Urusemal
Joseph J. Urusemal

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/s/ Wesley W. Simina
Wesley W. Simina

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