

TWELFTH CONGRESS OF THE FEDERATED STATES OF MICRONESIA

SECOND REGULAR SESSION, 2001

CONGRESSIONAL BILL NO. 12-62, C.D.1,  
C.D.2, C.D.3

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AN ACT

To amend Public Law No. 12-12, as overridden, by amending section 2 to redesignate a funding source for certain telecommunication expenses; by amending section 8 to provide supplemental funding for the Constitutional Convention; by amending sections 10 and 13 to re-appropriate and modify certain items previously vetoed, to change the designated funding source for certain items, and to adjust the amount appropriated to the trust fund "S" account to reflect the actual increase in Compact funding; and by amending section 16 to change the allottee for Constitutional Convention funding; and for other purposes.

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

1           Section 1. Section 2 of Public Law No. 12-12, as overridden by  
2 Public Law No. 12-13, is hereby amended to read as follows:

3           "Section 2. Operating expenses of the Executive Branch. The  
4           sum of \$14,030,225, or so much thereof as may be necessary,  
5           is hereby appropriated from the General Fund of the Federated  
6           States of Micronesia for the fiscal year ending September 30,  
7           2002, for the operations of the Executive Branch of the  
8           National Government during fiscal year 2002. Of the total  
9           funds appropriated under this section, \$118,575 shall be  
10          deemed to come from the funds available for communications  
11          under section 215(b)(2) of the Compact of Free Association.  
12          The sum appropriated by this section shall be apportioned as  
13          follows:

14               (1) Office of the President  
15               \$809,876, for the activities set forth in the performance

1 budget pages A1.1 through A1.2 of the budget book.

2 (2) Department of Foreign Affairs

3 (a) \$3,771,123, for the activities set forth in the  
4 performance budget pages A2.1 through A2.9 of the budget  
5 book.

6 (b) Conditions on use of JCN funds. Funds  
7 appropriated under this subsection for Joint Committee on  
8 Compact Economic Negotiations (JCN) travel (\$50,000) and  
9 representation expenses (\$55,000) shall not be available for  
10 obligation or disbursement until:

11 (i) funds appropriated for such purposes under  
12 the JCN budget have been exhausted;

13 (ii) JCN has provided a written report to the  
14 Committee on External Affairs of the Congress of the  
15 Federated States of Micronesia, through its Chairman, on the  
16 use of funds already obligated or disbursed, including a  
17 description of such use and an allocation among the outputs  
18 for which it was used; and

19 (iii) JCN has provided to said committee, in  
20 writing, signed by the JCN chairman and members, a detailed  
21 description of the planned use of the funds it is seeking to  
22 obligate or have disbursed.

23 (c) Conditions of use of Washington D.C. Embassy/JCN  
24 Representation funds. \$50,000 of the funds appropriated  
25 under this subsection for representation shall be for

1 meetings between members and staff of the U.S. Congress and  
2 members of the FSM Congress; PROVIDED however that up to  
3 \$20,000 of these funds may be reprogrammed for use by JCN for  
4 representation if all section 2(2)(b) representation funds  
5 have been exhausted and the requirements contained therein  
6 have been met.

7 (3) Department of Finance and Administration \$1,957,806,  
8 for the activities set forth in the performance budget pages  
9 A3.1 through A3.8 of the budget book.

10 (4) Department of Economic Affairs  
11 \$1,373,627, for the activities set forth in the performance  
12 budget pages A4.1 through A4.18 of the budget book.

13 (5) Department of Transportation, Communication and  
14 Infrastructure  
15 \$1,500,773, for the activities set forth in the performance  
16 budget pages 5.1 through 5.3 of the budget book. Of the  
17 total funds appropriated under this subsection, \$25,000 for a  
18 consultant in communications policy shall be deemed to come  
19 from funds available under section 215(a)(2) of the Compact  
20 of Free Association for telecommunications.

21 (6) Department of Health, Education and Social Affairs  
22 \$980,543, for the activities set forth in the performance  
23 budget pages A6.1 through A6.19 of the budget book.

24 (7) Department of Justice  
25 \$3,078,213, for the activities set forth in the performance

1 budget pages A7.1 through A7.6 of the budget book. Of the  
2 total funds appropriated, \$519,000 shall be deemed to come  
3 from funds available under section 216(a)(1) of the Compact  
4 of Free Association for marine surveillance.

5 (8) FSM Public Defender  
6 \$558,264, for the activities set forth in the performance  
7 budget pages A8.1 through A8.2 of the budget book."

8 Section 2. Section 8 of Public Law No. 12-12, as overridden by  
9 Public Law No. 12-13, is hereby amended to read as follows:

10 "Section 8. Grants, subsidies and contributions. The sum of  
11 \$2,559,791, or so much thereof as may be necessary, is hereby  
12 appropriated from the General Fund of the Federated States of  
13 Micronesia for the fiscal year ending September 30, 2002, for  
14 the following grants, subsidies and contributions during  
15 fiscal year 2002. The sum appropriated by this section shall  
16 be apportioned as follows:

17 (1) Office of the President

18 (a) Pacific Islands News  
19 Association..... \$ -0-  
20 (b) Asia Pacific Broadcasting Union. -0-  
21 (c) Asia Pacific Institute of  
22 Broadcasting..... \$ -0-

23 (2) Department of Foreign Affairs

24 (a) Forum Secretariat..... 35,000  
25 (b) The Pacific Community..... 30,000

1	(c) South Pacific Regional	
2	Environmental Program (SPREP).....	7,375
3	(d) United Nations Economic and	
4	Social Commission for Asia and the	
5	Pacific (ESCAP).....	5,000
6	(e) UN membership fees.....	100,000
7	(f) East West Center.....	10,000
8	(3) Department of Economic Affairs	
9	(a) Pacific Island Development	
10	Program.....	15,000
11	(b) Forum Fisheries Agency (FFA)....	21,000
12	(c) UN Development Program.....	3,000
13	(d) Coord. Commission for Offshore	
14	Mineral Prospecting (CCOMP).....	8,000
15	(e) Plant Protection Program.....	60,000
16	(f) Pacific Asian Travel Association	5,000
17	(g) FSM Giant Clam Culture.....	11,440
18	(h) FSM Coastal Fisheries Consortium	11,702
19	(i) National Plant Protection and	
20	Quarantine Communication.....	29,700
21	(j) OPIC Loan Repayment.....	250,000
22	(4) Department of Health, Education and	
23	Social Affairs	
24	(a) UN Fund for Population Activity	
25	(UNFPA)..... \$	3,000

1	(b) Aid to non-public schools.....	500,000
2	(c) Financial assistance for	
3	students studying at CMI and PCC, PROVIDED	
4	that the program of study is not available at	
5	COM National or State campuses and PROVIDED	
6	FURTHER that students applying for this	
7	assistance first show proof that they have	
8	applied for Pell Grants and other available	
9	assistance.....	50,000
10	(d) President Graduate Scholarship..	-0-
11	(e) World Health Organization (WHO)..	41,385
12	(f) National Board of Nursing.....	38,000
13	(g) Pacific Islands Health Officers	
14	Association (PIHOA).....	20,000
15	(h) National Close-Up Local Program.	64,000
16	(i) FSM Amateur Sports Association..	35,000
17	(j) COM Board Annual Meeting.....	5,000
18	(k) Association of Territorial Health	
19	Organization.....	2,000
20	(5) Department of Justice; PROVIDED that,	
21	no funds appropriated for Joint Law Enforcement	
22	purposes may be used for travel or to purchase	
23	vehicles, and PROVIDED FURTHER that no funds	
24	shall be obligated or disbursed for the second	
25	or third quarter of fiscal year 2002 unless,	

1 before March 31, 2002, each state reports to the  
 2 Committee on Judiciary and Governmental  
 3 Operations on the use of all funds appropriated  
 4 for fiscal year 2001 and for the first half of  
 5 fiscal year 2002, including an explanation of  
 6 how each expenditure contributed to the purpose  
 7 of joint law enforcement.

8	(a) Kosrae Joint Law Enforcement... \$	35,000
9	(b) Pohnpei Joint Law Enforcement...	70,000
10	(c) Chuuk Joint Law Enforcement.....	80,000
11	(d) Yap Joint Law Enforcement.....	45,000

12 (6) Department of Transportation,  
 13 Communication and Infrastructure

14	(a) Asia Pacific Telecommunity	
15	to be deemed as deriving from funds available	
16	under section 215(a)(2) of the Compact of Free	
17	Association for telecommunications.....	9,000

18	(b) International Telecommunication	
19	Union to be deemed as deriving from funds	
20	available under section 215(a)(2) of the	
21	Compact of Free Association for	
22	telecommunications..... \$	57,639

23	(c) International Civil Aviation	
24	Organization.....	28,050
25	(d) Micronesian Shipping Commission.	10,000

1	(7) Coconut Development Authority	
2	(a) Copra Subsidy.....	100,000
3	(b) Asia Pacific Coconut	
4	Community.....	20,500
5	(8) Other grants, subsidies and	
6	contributions	
7	(a) Kosrae Judiciary	
8	(i) Unrestricted .....	30,000
9	(ii) Law School Scholarships....	35,000
10	(b) Pohnpei Judiciary.....	90,000
11	(c) Chuuk Judiciary.....	90,000
12	(d) Yap Judiciary	
13	(i) Unrestricted.....	50,000
14	(ii) Law School Scholarships....	20,000
15	(e) COM Treaty Obligation.....	25,000
16	(f) Micronesian Legal Services	
17	Corporation.....	150,000
18	(g) Constitutional Convention and	
19	Post-Convention duties.....	254,000"

20 Section 3. Section 10 of Public Law No. 12-12, as overridden by  
 21 Public Law No. 12-13, is hereby amended to read as follows:

22 "Section 10. Operating expenses of the Telecommunications  
 23 Corporation. The sum of \$832,361, or so much thereof as may  
 24 be necessary, is hereby appropriated from the General Fund of  
 25 the Federated States of Micronesia for the fiscal year ending

1 September 30, 2002, for the operations of FSM  
2 Telecommunications Corporation and other telecommunications  
3 projects. The funds appropriated under this section shall be  
4 deemed to come from funds available under section 215(a)(2) of  
5 the Compact of Free Association. The sum appropriated by this  
6 section shall be apportioned as follows:

7 (1) Grant to FSM Telecommunications for  
8 the operation of Earth Stations.....\$ 582,361

9 (2) National Government obligations for telecommunications  
10 bills, PROVIDED that these  
11 funds may be used to pay past due bills or  
12 FY2002 obligations

13 (a) Executive Branch and Agencies... 150,000

14 (b) Legislative Branch (including  
15 State Delegation Offices)..... 75,000

16 (c) Judiciary Branch..... 25,000"

17 Section 4. Section 13 of Public Law No. 12-12, as overridden by  
18 Public Law No. 12-13, is hereby amended to read as follows:

19 "Section 13. Capital and Human Resource Development.

20 The sum of \$11,202,200, or so much thereof as may be  
21 necessary, is hereby appropriated from the General Fund of  
22 the Federated States of Micronesia for the fiscal year ending  
23 September 30, 2002, for capital improvement, development  
24 programs and projects and human resource development. Of the  
25 total funds appropriated under this section, \$2,955,926 shall

1 be deemed to come from the capital account funds available  
2 under section 211 of the Compact of Free Association, and  
3 \$1,387,700 from the funds available under section 216(a)(3)  
4 of the Compact of Free Association. The sum appropriated  
5 under this section shall be apportioned as follows:

6 (1) College of Micronesia-FSM

7 (a) Operations of the College of  
8 Micronesia-FSM, including planning  
9 and construction of new facilities.....\$ 3,067,000

10 (b) Student assistance for tuition  
11 and housing to be deemed as deriving from  
12 section 216(a)(3) of the Compact of Free  
13 Association PROVIDED that these funds shall  
14 be used strictly for direct financial  
15 assistance to COM-FSM students, and PROVIDED  
16 FURTHER that the co-payment by the student or  
17 the student's parent must be proportionally  
18 the same for each in relation to their total  
19 obligation, and PROVIDED FURTHER that only  
20 students maintaining a passing grade point  
21 average will be eligible to receive these  
22 funds. The funds appropriated under this  
23 subsection shall be apportioned as follows:

24 (i) General assistance.....\$ 295,000

25 (ii) Assistance for courses on

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1	Micronesian Government and Politics.....	5,000
2	(c) COM-FSM Multi-purpose gymnasium	
3	furnishing.....	60,000
4	(d) COM-Faculty office furnishing...	40,000
5	(e) COM-FSM Chuuk campus phase I	
6	construction.....	1,000,000
7	(f) FSM Fisheries and Maritime	
8	Institute.....	450,000
9	(2) Post-secondary Educational Assistance	
10	to be deemed as deriving from section	
11	216(a)(3) of the Compact of Free Association:	
12	(a) Kosrae State.....	126,661
13	(b) Pohnpei State.....	288,003
14	(c) Chuuk State Scholarships,	
15	PROVIDED that the selection committee is	
16	required to provide to the State Scholarship	
17	Coordinator, copies of all documents which	
18	would provide details of the applicants, their	
19	grade point average, the courses studied and	
20	the institution attended, as well as names of	
21	those applicants who are selected to receive a	
22	scholarship and the amount proposed. This	
23	requirement must be satisfied prior to the	
24	release of scholarship funds to the students	
25	selected.	

1	(i) General assistance.....	\$ 271,716
2	(ii) Scholarships for	
3	student's with the highest grade point	
4	averages.....	140,000
5	(d) Yap State.....	161,320
6	(e) Graduate School Scholarships -	
7	all States.....	100,000
8	(3) National Staff Upgrading.....	-0-
9	(4) FSM Capitol complex renovation.....	200,000
10	(5) Micronesian Entrepreneur Development	
11	Center.....	60,000
12	(6) FSM Development Bank - Development	
13	Loan Program.....	1,000,000
14	(7) Pohnpei sports facilities improvement	-0-
15	(8) Yap sports facilities completion.....	620,000
16	(9) FSM Trust Fund, PROVIDED that these	
17	funds shall be placed in the FSM Trust	
18	Fund until such time as an 'S' Account	
19	within the FSM Trust Fund is established	
20	by law, at which time the funds will be	
21	transferred to this account. If no 'S'	
22	Account is established by law, the funds	
23	shall remain in the FSM Trust Fund until	
24	such time as they are appropriated by law. \$	2,015,000
25	(10) FSM Consul General Guam residence	

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1	construction.....	190,000
2	(11) Ms. Caroline Islands dry-docking.....	500,000
3	(12) National Visitors Bureau.....	512,500
4	(13) Chuuk State Multipurpose Gymnasium...	100,000"

5 Section 5. Section 16 of Public Law No. 12-12, as overridden by  
6 Public Law No. 12-13, is hereby amended to read as follows:

7 "Section 16. Allotment and management of funds and lapse  
8 date.

9 (1) *General Provisions.*

10 (a) All funds appropriated by this act shall be  
11 allotted, managed, administered, and accounted for in  
12 accordance with applicable law, including, but not limited  
13 to, the Financial Management Act of 1979;

14 (b) The allottees shall be responsible for ensuring  
15 that these funds, or so much thereof as may be necessary, are  
16 used solely for the purpose specified in this act, and that  
17 no obligations are incurred in excess of the sum  
18 appropriated.

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

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

23 (b) section 3 - the allottee of these funds shall be  
24 the Speaker of the Congress of the Federated States of  
25 Micronesia;

1 (c) section 4 - the allottee of these funds shall be  
2 the Chief Justice of the Supreme Court of the Federated  
3 States of Micronesia;

4 (d) section 5 - the allottee of these funds shall be  
5 the Public Auditor;

6 (e) section 6 through 13 - the allottee of these funds  
7 shall be the President of the Federated States of Micronesia  
8 or his designee; EXCEPT THAT for the following subsections of  
9 section 6 through 13 of this act, the allottees shall be:

10 (i) section 8, subsection (5) - the allottee of  
11 these funds shall be the Governor of the respective State, or  
12 his designee;

13 (ii) section 8, subsection (6)(a) through (6)(d) -  
14 the allottee of these funds shall be the Secretary of the  
15 Department of Transportation, Communications and  
16 Infrastructure;

17 (iii) section 8, subsection (8)(a) through (8)(d) -  
18 the allottee of these funds shall be the Chief Justice of the  
19 respective State;

20 (iv) section 8, subsection (8)(q) - the allottee  
21 of these funds shall be the President of the Federated States  
22 of Micronesia, or his designee, until such time as the  
23 Constitutional Convention convenes and selects a President  
24 and then the allottee of these funds shall be the President  
25 of the Constitutional Convention.

1 (v) section 10, subsection (2)(b) - the allottee  
2 of these funds shall be the Speaker of the Congress of the  
3 Federated States of Micronesia, or his designee;

4 (vi) section 10, subsection (2)(c) - the allottee  
5 of these funds shall be the Chief Justice of the Supreme  
6 Court of the Federated States of Micronesia;

7 (vii) section 13, subsection (1)(a) through (1)(f)  
8 - the allottee of these funds shall be the President of the  
9 College of Micronesia-FSM;

10 (viii) section 13, subsections (2)(a) through (2)(d)  
11 - the allottee of these funds shall be the Governor of the  
12 respective State.

13 (3) *Lapse date.* The authority of the allottees to obligate  
14 funds appropriated by this act shall lapse as of September  
15 30, 2002."

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17 Section 6. This act shall become law upon approval by the  
18 President of the Federated States of Micronesia or upon its becoming  
19 law without such approval.

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23 \_\_\_\_\_, 2002  
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Leo A. Falcam  
President  
Federated States of Micronesia