AN ACT

To further amend Public Law No. 11-54, as amended by Public Laws Nos. 11-56, 11-63, 11-67, 11-73 and 12-1, by further amending section 16, as amended by Public Law No. 11-63, to clarify a line item description; by further amending section 19, as amended by Public Laws Nos. 11-56, 11-67, 11-73 and 12-1, to make technical corrections to eliminate allottees for projects previously line-item vetoed; and to extend the lapse date for several CIP projects; and for other purposes.

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

Section 1. Section 16 of Public Law No. 11-54, as amended by Public Law No. 11-63, is hereby further amended to read as follows:

"Section 16. Capital development. The sum of $1,133,600, or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 2001, for capital improvement and development programs and projects. Of the total funds appropriated under this section, $1,001,600 shall be deemed to come from capital account funds available under section 211 of the Compact of Free Association. The sum appropriated by this section shall be apportioned as follows:

(1) Staff upgrading (Div. of Personnel). $ 100,000

(2) National Visitors Bureau................. -0-

(3) Micro-entrepreneur Dev. Center......... 66,000"
Section 2. Section 19 of Public Law No. 11-54, as amended by Public Laws Nos. 11-56, 11-67, 11-73 and 12-1, is hereby further amended to read as follows:

"Section 19. 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 necessary, are used solely for the purpose specified in this act, and that no obligations are incurred in excess
of the sum appropriated.

(c) No purchase order or contract for the purchase of a fixed asset with a value of $1,000 or more shall be approved until the property inventory records of the requesting entity are updated, current, and on file with the Department of Finance and Administration, in accordance with law.

(d) No purchase order or contract for the purchase of photocopying equipment, computers, or vehicles shall be approved until the requesting department or branch of government has on file, with the Department of Finance and Administration, a plan for the centralized maintenance of such equipment, computers and vehicles.

(2) Specific provisions. Within section 15, the funds appropriated to Pohnpei State under subsection (2) of this act and the funds appropriated to Chuuk State under subsection (3) of this act shall be retained in the General Fund of the Federated States of Micronesia until a scholarship recipient is identified to the President or the President's designee, at which time scholarship funds in the amount of the scholarship award shall be disbursed directly to the educational institution in the form of a two-party check payable to both the scholarship recipient and the educational institution he
or she is attending.

(3) Allottees. The allottees of the funds appropriated by this act are as follows:

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

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

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

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

(e) sections 6 through 16 - the allottee of these funds shall be the President of the Federated States of Micronesia or his designee; EXCEPT THAT for the following subsections of sections 6 through 16 of this act, the allottees shall be:

(i) section 8, subsection (4) - the allottee of these funds shall be the Governor of the respective State, or his designee;

(ii) section 8, subsection (7)(a), (b), (c) and (d) - the allottee of these funds shall be the Chief Justice of the respective State;

(iii) section 13, subsection (2) - the
allottee of these funds shall be the President of the College of Micronesia-FSM;

(iv) section 15, subsections (1), (2), (3) and (4) - the allottee of these funds shall be the Governor of the respective State;

(v) section 16, subsection (8)(a) - the allottee of these funds shall be the Governor of Yap State;

(vi) section 16, subsection (8)(b) - the allottee of these funds shall be the Chuuk State Commission on Improvement Projects.

(4) Lapse date. The authority of the allottees to obligate funds appropriated by this act shall lapse as of September 30, 2001; EXCEPT THAT the authority of the allottee to obligate funds appropriated under subsection (1) of section 16 for Staff Upgrading, under subsection (8)(b) of section 16 for Faichuk Pharmaceutical and Health Center, and under subsection (10) of section 16 for the Public Auditor's office building shall lapse as of September 30, 2002, and the authority of the allottee to obligate funds appropriated by section 15(4) for post secondary assistance for the State of Yap shall not lapse."
Section 3. This act shall become law upon approval by the President of the Federated States of Micronesia or upon its becoming law without such approval.

August 15, 2001

/s/ Redley Killion for
Leo A. Falcam
President
Federated States of Micronesia