AN ACT

To further amend Public Law No. 12-12, as amended, by further amending sections 2, 3, 13 and 16 to reallocate funds appropriated to the Office of the Public Defender for renovation of the Pohnpei Public Defender Office, to deappropriate funds from the dry-docking of the M.S. Caroline Islands, to appropriate $50,000 from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 2002 to provide supplemental funding for the operations of the Legislative Branch, to change certain lapse dates, and for other purposes.

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

Section 1. Section 2 of Public Law No. 12-12, as amended by Public Laws Nos. 12-21 and 12-24, is hereby further amended to read as follows:

"Section 2. Operating expenses of the Executive Branch.

The sum of $14,306,725, 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, 2002, for the operations of the Executive Branch of the National Government during fiscal year 2002. Of the total funds appropriated under this section, $470,800 shall be deemed to come from the funds available for communications under section 215(b)(2) of the Compact of Free Association. The sum appropriated by this section shall be apportioned as follows:
(1) Office of the President

$809,876, for the activities set forth in the performance budget pages A1.1 through A1.2 of the budget book.

(2) Department of Foreign Affairs

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

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

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

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

(iii) JCN has provided to said committee, in writing, signed by the JCN chairman and members, a detailed description of the planned use of the funds it is seeking to obligate or have disbursed.
(c) Conditions of use of Washington D.C. Embassy/JCN Representation funds. $50,000 of the funds appropriated under this subsection for representation shall be for meetings between members and staff of the U.S. Congress and members of the FSM Congress; PROVIDED however that up to $20,000 of these funds may be reprogrammed for use by JCN for representation if all section 2(2)(b) representation funds have been exhausted and the requirements contained therein have been met.

(3) Department of Finance and Administration $2,234,306, for the activities set forth in the performance budget pages A3.1 through A3.8 of the budget book.

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

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


(7) Department of Justice $3,078,213, for the activities set forth in the performance budget pages A7.1 through A7.6 of the budget book. Of the total funds appropriated, $519,000 shall be deemed to come from funds available under section 216(a)(1) of the Compact of Free Association for marine surveillance.

(8) FSM Public Defender $558,264, for the activities set forth in the performance budget pages A8.1 through A8.2 of the budget book. The sum appropriated by this subsection shall be apportioned as follows:

(a) Activities set forth in the performance budget pages A8.1 through A8.2 of the budget book $ 518,264

(b) Pohnpei Public Defender Office renovation $ 40,000

Section 2. Section 3 of Public Law No. 12-12, as amended by Public Laws Nos. 12-24 and 12-35, is hereby further amended to read as follows:
"Section 3. Operating expenses of the Legislative Branch. The sum of $3,211,474, 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, 2002, for the operations of the Legislative Branch of the National Government during fiscal year 2002 in order to achieve the activities set forth in the performance budget pages B.1 through B.3 of the budget book. Of the total funds appropriated under this section, $50,000 shall be deemed to come from the funds available under section 215(b)(2) of the Compact of Free Association. The sum of $460,000 shall be deemed allocated for Speaker and Members' Travel, Line Item Budget Bla, page 1 of 6 of the Approved Budget book. The sum of $490,000 shall be deemed allocated to Speaker and Members' Representation Fund - Members, Line Item Budget Bla, page 5 of 6 of the Approved Budget book."

Section 3. Section 13 of Public Law No. 12-12, as amended by Public Laws Nos. 12-21, 12-24 and 12-35, is hereby further amended to read as follows:

"Section 13. Capital and Human Resource Development. The sum of $10,915,200, 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, 2002, for capital improvement, development programs and projects and human resource development. Of the total funds appropriated under this section, $2,737,926 shall be deemed to come from the capital account funds available under section 211 of the Compact of Free Association, and $1,387,700 from the funds available under section 216(a)(3) of the Compact of Free Association. The sum appropriated under this section shall be apportioned as follows:

(1) College of Micronesia-FSM

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

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

(i) General assistance ........ ....... 295,000
(ii) Assistance for courses on Micronesian Government and Politics ........ 5,000
(c) COM-FSM Multi-purpose gymnasium furnishing ........................................ $ 60,000
(d) COM-Faculty office furnishing ... 40,000
(e) Chuuk State Congressional Projects:
(i) E.D. No. 1 public projects... 180,000
(ii) E.D. No. 2:
   a) Road improvements ..... 90,000
   b) Economic assistance grants 40,000
   c) Social assistance grants 20,000
   d) Student assistance grants 10,000
   e) Northern Namoneas Development Authority operations ........... 20,000
(iii) E.D. No. 3:
   a) Educational grant assistance.......................... 50,000
   b) Other social and economic project grants......................... 110,000
   c) Legal fees .......... 20,000
(iv) E.D. No. 4:
a) Japan-Micronesia Friendship Association ................. 40,000
b) Project coordinator's office for Tolensom Development Authority .. 40,000
c) Post-secondary student assistance grants .........................$ 10,000
d) Legal fees ............ 10,000
e) Repair of Neuut bridge 20,000
f) Other public social and economic projects ....................... 60,000
(v) E.D. No. 5 Houk Airport Project Grant ........................... 180,000
(vi) State-wide public projects ........................................ 100,000
(f) FSM Fisheries and Maritime Institute .............................. 663,000
(2) Post-secondary educational assistance to be deemed as deriving from section 216(a)(3) of the Compact of Free Association:
(a) Kosrae State ....................... 126,661
(b) Pohnpei State ...................... 288,003
(c) Chuuk State Scholarships,
PROVIDED that the selection committee is required to provide to the State Scholarship Coordinator, copies of all documents which would provide details of the applicants, their
grade point average, the courses studied and
the institution attended, as well as names of
those applicants who are selected to receive a
scholarship and the amount proposed. This
requirement must be satisfied prior to the
release of scholarship funds to the students
selected.

(i) General assistance ........ $ 271,716

(ii) Scholarships for
student's with the highest grade point

averages ........................................ 140,000

(d) Yap State ................... $ 161,320

(e) Graduate and Professional School

Scholarships—all States ............... 100,000

(3) National Staff Upgrading ........... $ 0-

(4) FSM Capitol complex renovation .... 200,000

(5) Micronesian Entrepreneur Development

Center ........................................... 60,000

(6) FSM Development Bank - Development

Loan Program ................................. 1,000,000

(7) Pohnpei sports facilities improvement $ 0-

(8) Yap sports facilities completion ..... 620,000

(9) FSM Trust Fund, PROVIDED that these

funds shall be placed in the FSM Trust

Fund until such time as an 'S' Account
within the FSM Trust Fund is established by law, at which time the funds will be transferred to this account. If no 'S' Account is established by law, the funds shall remain in the FSM Trust Fund until such time as they are appropriated by law.

2,015,000

(10) FSM Consul General Guam residence construction .................................. 190,000

(11) National Visitors Bureau ............. 512,500

(12) Chuuk State Multi-purpose Gymnasium .. 100,000"

Section 4. Section 16 of Public Law No. 12-12, as amended by Public Laws Nos. 12-21 and 12-24, is hereby further amended to read as follows:

"Section 16. 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."
(2) 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) section 6 through 13 - 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 section 6 through 13 of this act, the allottees shall be:

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

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

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

(iv) section 8, subsection (8)(g) – the allottee of these funds shall be the President of the Federated States of Micronesia, or his designee, until such time as the Constitutional Convention convenes and selects a President and then the allottee of these funds shall be the President of the Constitutional Convention.

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

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

(vii) section 13, subsection (1)(a) through (1)(f) – the allottee of these funds shall be the President of the College of Micronesia-FSM, EXCEPT THAT the allottee of the funds appropriated under subsection (1)(e) of section 13 shall be the Executive Director of the Chuuk State Commission on Improvement Projects;

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

(ix) section 13, subsection (13) – the
allottee of these funds shall be the Governor of Chuuk State.

(3) Lapse dates. The authority of the allottees to obligate funds appropriated by this act shall lapse as follows:

(a) the authority of the allottees to obligate the funds appropriated by section 13 of this act shall lapse as of September 30, 2003, EXCEPT THAT the authority of the allottees to obligate the funds appropriated by section 13, subsections (2) and (8) shall not lapse;

(b) the authority of the allottees to obligate the funds appropriated by section 2, subsection (8) shall not lapse; and

(c) the authority of the allottees to obligate all remaining funds appropriated by this act shall lapse as of September 30, 2002."
Section 5. This act shall become law upon approval by the President of the Federated States of Micronesia or upon its becoming law without such approval.

July 26, 2002

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