A BILL FOR AN ACT

To further amend Public Law No. 11-59, as amended, by amending sections 1 and 7 thereof, to change the use, the allottee and the lapse date of certain funds appropriated therein, and for other purposes.

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

Section 1. Section 1 of Public Law No. 11-59, as amended by Public Laws Nos. 11-69, 11-79, 12-33 and 13-58, is hereby further amended to read as follows:

"Section 1. The sum of $350,000, 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, to provide funds for infrastructure and other projects and programs in the State of Kosrae. The funds appropriated under this section shall be apportioned as follows:

(1) Social activities .......................... $ 8,038
(2) Completed programs and projects ...... 341,962
(3) Youth conferences......................... 36,611
(2) Shipping subsidy .......................... 18,389
(3) Kosrae Visitors Bureau, PROVIDED that no more than $10,000 of this appropriation may be used for the purchase of a vehicle . 17,000
(4) Medical School Scholarships for
Kosraean students studying in Fiji $10,000

(5) Senior citizens social activities $5,000

(6) Lelu Town Government
   (a) Wuntan shoreline protection $15,000
   (b) Basketball court $15,000
   (c) Equipment parts $10,000
   (d) Beautification projects $12,000
   (e) Other development projects $9,000
   (f) Municipal Office operations $4,000

grant to assist with the administrative
cost of implementing projects within this
subsection $4,000

(7) Tafunsak Municipal Government
   (a) Water systems $22,000
   (b) Construction and maintenance of
       access roads $20,000
   (c) Beautification projects $8,000
   (d) Other development
       projects $9,000
   (e) Municipal Office operations
       grant to assist with the administrative
       cost of implementing projects within this
       subsection $4,000

(8) Malem Municipal Government
(a) Tennis Court .................. $ 15,000

(b) Extension and upgrading of Malem inner roads ................................. 40,000

(c) Program for June 6^{th} festivities and celebration ................................ 4,000

(d) Municipal Office operations grant to assist with the administrative cost of implementing projects within this subsection .................................................. 4,000

(9) Utwe Municipal Government

(a) Baseball field extension ................................................................. 12,000

(b) Upgrading or maintenance of farm roads ............................................................. 20,000

(c) Equipment maintenance and parts ................................................................. 7,000

(d) Farm assistance projects .................. 4,000

(e) Project grant to Municipal Government for land acquisition or lease of land for existing Municipal Office Building .................................................. 11,000

(f) Municipal Office operations grant to assist with the administrative cost of implementing projects within this subsection .......................... $ 4,000
Section 2. Section 7 of Public Law No. 11-59, as amended by Public Laws Nos. 11-69, 11-79, 12-7, 12-33, 12-46, 12-64, 12-71 and 13-2, is hereby further amended to read as follows:

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

(1) 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. The allottee of the funds appropriated under [subsection (1) of] section 1 of this act shall be [the Chairman of the Coordination Committee of the Kosrae State 2001 Summer Youth Conference] the President of the Federated States of Micronesia. [The allottee of the funds appropriated under subsections (2), (4), (5), (10) and (11) of section 1 of this act shall be the Secretary of the Department of Finance and Administration, or his designee.] The allottee of the funds appropriated under [subsection (3) of section 1 and the funds appropriated under] section 6 of this act shall be the Governor of the State of Kosrae, or his designee. [The allottees of the funds appropriated under subsections (6) through (9)
of section 1 of this act shall be the Mayors of the respective towns or municipalities.] The allottee of the funds appropriated under sections 2 and 5 of this act shall be the President of the Federated States of Micronesia, or his designee. The allottee of the funds appropriated under section 3 of this act shall be the Chuuk State Commission on Improvement Projects, EXCEPT THAT the allottee of the funds appropriated under subsection (6) of section 3 of this act shall be the Northwest Project Coordinator and PROVIDED THAT, for funds appropriated under subsection (5) of section 3 of this act, the allottee shall follow the procedures set forth in subsection (3) of this section 7. The allottee of the funds appropriated under subsections (1) through (13) and subsection (15) of section 4 of this act shall be the Governor of the State of Yap, or his designee. The allottee of the funds appropriated under subsection (14) of section 4 of this act shall be the Speaker of the Congress of the Federated States of Micronesia, or his designee. The allottees shall be responsible for ensuring that the funds appropriated by this act, 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) The authority of the allottees to obligate funds appropriated by this act shall lapse as of September 30, [2005] 2006; EXCEPT THAT the authority of the allottee to obligate funds appropriated under subsection (10) of section 1 of this act shall not lapse.

(3) Prior to any obligation or disbursement of funds appropriated under subsection (5) of section 3 of this act, the allottee shall, by written notice to the mayor of each municipality in Election District No. 4 of Chuuk State, inform each municipality of the amount of funds available for allotment in Election District No. 4 and invite requests for project funding from each municipality. Not less than thirty (30) days nor more than sixty (60) days after delivering such notice, the allottee shall convene and chair a panel consisting of all the Mayors of Election District No. 4 or their designees, who shall review the requests for project funding and determine, by majority vote, which project(s) shall be recommended to the allottee for funding. The allottee shall not have a vote except in the event of a tie. In the event of a tie, the Executive Director of the allottee, or his designee, shall cast the deciding vote. The allottee's designee shall not be a resident or former resident of Election
District No. 4. Subject to relevant law and regulations, the allottee shall follow the recommendations of the panel."

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.

Date: 9/25/05

Introducted by: /s/ Claude H. Phillip

Claude H. Phillip