A RESOLUTION

Calling on the President of the Federated States of Micronesia to enforce the agreement on disbursement of Compact I capital project funds among the state and municipal governments of Chuuk State.

WHEREAS, Section 317 of title 55 of the Code of the Federated States of Micronesia, as amended by Public Law No. 13-51, allows capital account funds available under the 1986 Compact of Free Association Agreement (“Compact I”) to be transferred to the current account of a government under certain circumstances; and

WHEREAS Chuuk State and municipal governments have chosen to exercise this right; and

WHEREAS, a distribution formula for Chuuk State was mutually agreed by state and municipal leaders whereby forty (40) percent of Compact I capital project funds would be distributed to the municipalities; and

WHEREAS, the allocation by the FSM Department of Finance of these funds to the Chuuk State Government has greatly exceeded the agreed sixty (60) percent of its share; now therefore,

BE IT RESOLVED by the Fourteenth Congress of the Federated States of Micronesia, Third Regular Session, 2006, calls upon the President to honor the original distribution formula for Chuuk State capital account funds in its disbursement of remaining Compact I capital account funds to the State of Chuuk.

BE IT FURTHER RESOLVED that further disbursement of remaining Compact I funds to Chuuk State be withheld until Chuuk State
complies with the intent of Public Law No. 13-51 and honors its agreement with the municipalities.

BE IT FURTHER RESOLVED that certified copies of this resolution be transmitted to the President of the Federated States of Micronesia, the Governor of Chuuk State, the Speaker and President of the Chuuk State Legislatures, and the Chuuk State Municipal Governments.

Date: ______________     Introduced by: _____________________

Peter Sitan

Date: ______________

Roosevelt D. Kansou

Date: ______________

Tiwiter Aritos

Date: ______________

Manny Mori

Date: ______________

Moses A. Nelson

Date: ______________

Simiram Sipenuk