December 5, 2011

The Honorable Isaac V. Figir
Speaker
17th FSM Congress
Palikir, Pohnpei FM 96941

Dear Speaker Figir:

Christmas greetings to you, members of Congress, staff, and your families!

I am pleased to sign and designate as Public Law No. 17- 28 the following Congressional Act, entitled:

Congressional Act No. 17-28, entitled: “AN ACT TO AMEND SECTIONS 1, 2, 5, 6, 7, 8, 9, 10 AND 12 OF PUBLIC NO. 17-19 IN ORDER TO APPROPRIATE $1,025,436 OF SUPPLEMENTAL FUNDING FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2012, TO ALIGN THE BUDGET ACT WITH THE RECENT COMPACT GRANT AWARDS, TO INTRODUCE TECHNICAL AMENDMENTS CONCERNING THE ALLOTTEE OF FUNDING; AND FOR OTHER PURPOSES.”

I take this opportunity to thank you and members of the Seventeenth Congress for taking action on this important matter during the special session last month.

I wish to note that the inclusion of Sections 5, 6 and 10 of Public Law No. 17-19 in the Congressional Act is unnecessary, there being no changes made under any of those sections. Accordingly, the current status of said sections in the FY12 budget shall remain the same.

With warm personal regards, I remain,

Sincerely,

Manny Mori
President

Enclosures:

cc: Chief Justice, FSM Supreme Court
    Secretary, Department of Justice
    Director, Office of SBOC
    Legislative Counsel, CFSM
    Library, CFSM
    PIO, FSM
November 29, 2011

His Excellency Manny Mori
President
Federated States of Micronesia
Palikir, Pohnpei FM 96941

Dear President Mori:

I have the honor to transmit herewith Congressional Act No. 17-28, "AN ACT TO AMEND SECTIONS 1, 2, 5, 6, 7, 8, 9, 10 AND 12 OF PUBLIC LAW NO. 17-19 IN ORDER TO APPROPRIATE $1,025,436 OF SUPPLEMENTAL FUNDING FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2012, TO ALIGN THE BUDGET ACT WITH THE RECENT COMPACT GRANT AWARDS, TO INTRODUCE TECHNICAL AMENDMENTS CONCERNING THE ALLOTTEE OF FUNDING; AND FOR OTHER PURPOSES.", which was passed by the Seventeenth Congress of the Federated States of Micronesia, Second Special Session, 2011, by a two-thirds vote of all the State delegations as required and as duly certified.

Sincerely yours,

Liwiana Ramon Ioanis
Chief Clerk, Congress of the Federated States of Micronesia

Enclosures
An Act

TO AMEND SECTIONS 1, 2, 5, 6, 7, 8, 9, 10 AND 12 OF PUBLIC LAW NO. 17-19 IN ORDER TO APPROPRIATE $1,025,436 OF SUPPLEMENTAL FUNDING FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2012, TO ALIGN THE BUDGET ACT WITH THE RECENT COMPACT GRANT AWARDS, TO INTRODUCE TECHNICAL AMENDMENTS CONCERNING THE ALLOTTEE OF FUNDING; AND FOR OTHER PURPOSES.

INTRODUCED BY SENATOR: FLORENCIO S. HARPER (BY REQUEST)

DATE: NOVEMBER 21, 2011

REFERRED TO: COMMITTEE ON WAYS AND MEANS

S.C.R. NO. 17-64 – NOVEMBER 22, 2011

FIRST READING: NOVEMBER 22, 2011

SECOND READING: NOVEMBER 23, 2011

[Signature]

Liwiana Ramon Ioannis
Chief Clerk, FSM Congress
PRESIDENTIAL COMM. NO. 14-156
FSM CONGRESS

ACT NO. 17-28

(CONGRESSIONAL BILL NO. 17-73, C.D.1,
   C.D.2, C.D.3)

We hereby certify that on November 23 the foregoing act
passed Second and Final Reading of the Seventeenth Congress
of the Federated States of Micronesia, Second Special
Session, 2011, by a two-thirds vote of all the State
delegations as required under article IX, section 20, of
the Constitution of the Federated States of Micronesia.

Isaac V. Esang
Speaker
Congress of the
Federated States of Micronesia

Liwiana Ramon Iloanis
Chief Clerk
Congress of the
Federated States of Micronesia
We hereby certify that on November 23 the foregoing act passed Second and Final Reading of the Seventeenth Congress of the Federated States of Micronesia, Second Special Session, 2011, by a two-thirds vote of all the State delegations as required under article IX, section 20, of the Constitution of the Federated States of Micronesia.

Isaac V. Figir
Speaker
Congress of the Federated States of Micronesia

Liviana Ramon Ioanis
Chief Clerk
Congress of the Federated States of Micronesia
AN ACT

To amend sections 1, 2, 5, 6, 7, 8, 9, 10 and 12 of Public Law No. 17-19 in order to appropriate $1,025,436 of supplemental funding for the fiscal year ending September 30, 2012, to align the budget act with the recent Compact Grant Awards, to introduce technical amendments concerning the allottee of funding; and for other purposes.

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

1 Section 1. Section 1 of Public Law No. 17-19 is hereby amended to read as follows:

2 "Section 1. Purpose. The purpose of this act is to appropriate the sum of $45,277,053, or so much thereof as may be necessary, from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 2012, for the purpose of funding the operations of all branches of the National Government of the Federated States of Micronesia, its agencies, various programs, grants, subsidies and contributions. Of the total amount of funds appropriated herein, $4,437,560 shall be deemed to come from funds available under the amended Compact from the education sector subject to the receipt of Grant Awards under the amended Compact; $1,176,656 shall be deemed to come from funds available under the Supplemental Education
Grant; $878,750 shall be deemed to come from funds available under the amended Compact from the health sector subject to the receipt of Grant Awards under the amended Compact; $329,598 shall be deemed to come from funds available under the amended Compact from the capacity building sector; $-0- shall be deemed to come from funds available under the amended Compact from the private sector development sector; and $1,194,212 shall be deemed to come from funds available under the amended Compact from the infrastructure sector.

Section 2. Section 2 of Public Law No. 17-19 is hereby amended to read as follows:

"Section 2. Operating expenses of the Executive Branch. The sum of $18,032,962, 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, 2012, for the purpose of funding the operations of the Executive Branch of the National Government during fiscal year 2012. Of the total amount of funds appropriated herein, $637,560 shall be deemed to come from funds available under the amended Compact from the education sector subject to the receipt of Grant Awards under the amended Compact; $493,310 shall be
deemed to come from funds available under the Supplemental Education Grant; $678,750 shall be deemed to come from funds available under the amended Compact from the health sector subject to the receipt of Grant Awards under the amended Compact; and $162,450 shall be deemed to come from funds available under the amended Compact from the capacity building sector; and $834,212 shall be deemed to come from funds available under the amended Compact from the infrastructure sector. The sum appropriated by this section shall be apportioned as follows:

(1) Office of the President.
The sum of $719,714, or so much thereof as may be necessary, for the operations of the Office of the President during fiscal year 2012. The sum appropriated herein shall be apportioned as follows:
Personnel ........................................ $ 340,826
Travel .............................................. 133,324
Contractual Services .............................. 146,000
OCE ................................................ 90,564
Fixed Assets ...................................... 9,000

(2) Department of Foreign Affairs.
The sum of $4,132,617, or so much thereof as may be necessary, for the operations of the Department of Foreign Affairs during fiscal year 2012. The sum
appropriated herein shall be apportioned as follows:

Personnel ........................................... $ 1,297,155
Travel ............................................... 234,893
Contractual Services; PROVIDED THAT $8,000
shall be used to pay lease expenses accrued
during to and prior to fiscal year 2011 .... 2,187,837
OCE .................................................. 369,232
Fixed Assets ....................................... 43,500

(3) Department of Finance and Administration.
The sum of $1,814,472, or so much thereof as may be
necessary, for the operations of the Department of
Finance and Administration during fiscal year 2012.
Of the total amount of funds appropriated herein,
$162,450 shall be deemed to come from funds available
under the amended Compact from the capacity building
sector. The sum appropriated herein shall be
apportioned as follows:

Personnel ........................................... $ 1,106,718
Travel ............................................... 169,450
Contractual Services .............................. 322,906
OCE .................................................. 212,398
Fixed Assets ....................................... 3,000

(4) Department of Resources and Development.
The sum of $849,750, or so much thereof as may be
necessary, for the operations of the Department of
Resources and Development during fiscal year 2012.
The sum appropriated herein shall be apportioned as follows:

Personnel ........................................ $ 527,160
Travel ................................................ 112,081
Contractual Services ............................... 103,307
OCE .................................................... 87,602
Fixed Assets ......................................... 19,600

(5) Department of Transportation, Communication and Infrastructure.
The sum of $3,113,046, or so much thereof as may be necessary, for the operations of the Department of Transportation, Communication and Infrastructure during fiscal year 2012. Of the total amount of funds appropriated herein, $834,212 shall be deemed to come from funds available under the amended Compact from the infrastructure sector. The sum appropriated herein shall be apportioned as follows:

Personnel ........................................ $ 1,181,684
Travel ................................................ 152,203
Contractual Services ............................... 1,539,971
OCE .................................................... 116,000
Fixed Assets ......................................... 123,188

(6) Department of Health and Social Affairs.
The sum of $963,870, or so much thereof as may be
necessary, for the operations of the Department of
Health and Social Affairs during fiscal year 2012.
Of the total amount of funds appropriated herein,
$678,750 shall be deemed to come from funds available
under the amended Compact from the health sector
subject to the receipt of Grant Awards under the
amended Compact. The sum appropriated herein shall
be apportioned as follows:

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Personnel</td>
<td>$446,901</td>
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<td>Travel</td>
<td>$161,208</td>
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<td>Contractual Services</td>
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<tr>
<td>OCE</td>
<td>$89,340</td>
</tr>
<tr>
<td>Fixed Assets</td>
<td>$0</td>
</tr>
</tbody>
</table>

(7) Department of Education.
The sum of $1,175,007, or so much thereof as may be
necessary, for the operations of the Department of
Education during fiscal year 2012. Of the total
amount of funds appropriated herein, $637,560 shall
be deemed to come from funds available under the
amended Compact from the education sector subject to
the receipt of Grant Awards under the amended
Compact; and $493,310 shall be deemed to come from
funds available under the Supplemental Education
Grant. The sum appropriated herein shall be
apportioned as follows:
(8) Department of Justice.

The sum of $3,068,676, or so much thereof as may be necessary, for the operations of the Department of Justice during fiscal year 2012. The sum appropriated herein shall be apportioned as follows:

Personnel .................................. $ 2,300,029

Travel .................................... 138,131

Contractual Services ...................... 143,758

OCE ....................................... 440,720

Fixed Assets ............................. 46,038

(9) Office of the Public Defender.

The sum of $763,671, or so much thereof as may be necessary, for the operations of the Office of the Public Defender during fiscal year 2012. The sum appropriated herein shall be apportioned as follows:

Personnel .................................. $ 525,442

Travel .................................... 78,779

Contractual Services ...................... 115,350

OCE ....................................... 44,100

Fixed Assets ............................. -0-
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<thead>
<tr>
<th></th>
<th>Description</th>
<th>Amount</th>
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<tr>
<td>1</td>
<td>Union (ITU)</td>
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<td>2</td>
<td>(c) International Civil Aviation Organization</td>
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</tr>
<tr>
<td>3</td>
<td>(d) FSM Capital Energy/Utilities</td>
<td>500,000</td>
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<tr>
<td>4</td>
<td>(e) Micro. Shipping Comm.</td>
<td>5,000</td>
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<tr>
<td>5</td>
<td>(f) Sea and Air Transport Task Force</td>
<td>0</td>
</tr>
<tr>
<td>6</td>
<td>(8) Office of Statistics, Budget, Overseas Development Assistance and Compact</td>
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</tr>
<tr>
<td>7</td>
<td>Management</td>
<td>250</td>
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<tr>
<td>8</td>
<td>(9) Office of Environment and Emergency Management (E.E.M.)</td>
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<tr>
<td>9</td>
<td>(a) Secretariat of Pacific Regional Environment</td>
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<tr>
<td>10</td>
<td>(b) UN Environmental Protection Agency (UNEP)</td>
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<tr>
<td>11</td>
<td>(c) SPREP/Noumea Convention</td>
<td>1,764</td>
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<tr>
<td>12</td>
<td>(d) Waigani Convention (Annual Membership Fee)</td>
<td>1,190</td>
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<td>13</td>
<td>(e) UN Convention to Combat Desertification</td>
<td>120</td>
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<td>14</td>
<td>(f) UN Framework Convention (UNFCC)</td>
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<tr>
<td>15</td>
<td>(g) Earth Day Activities</td>
<td>15,000</td>
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<tr>
<td>16</td>
<td>(h) EPA Director’s Meeting</td>
<td>20,000</td>
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<tr>
<td>17</td>
<td>(10) Office of NACHP.</td>
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<tr>
<td>18</td>
<td>(a) UNESCO</td>
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<tr>
<td></td>
<td>Description</td>
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<tr>
<td>1</td>
<td>(b) NCSHPO</td>
<td>$2,760</td>
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<td>2</td>
<td>(c) PARBICA</td>
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<td>3</td>
<td>(d) PIALA</td>
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<td>4</td>
<td>(e) WHC Membership Fee</td>
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<td>5</td>
<td>(11) Coconut Development Authority</td>
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<tr>
<td>6</td>
<td>(a) Copra subsidy</td>
<td>100,000</td>
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<td>7</td>
<td>(b) Asia Pacific Coconut Community (APCC)</td>
<td>13,500</td>
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<td>(12) Department of Justice</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>(a) DOJ Fuel Subsidy</td>
<td>500,000</td>
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<tr>
<td>10</td>
<td>(b) Kosrae Joint Law Enforcement</td>
<td>25,000</td>
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<td>11</td>
<td>(c) Pohnpei Joint Law Enforcement</td>
<td>50,000</td>
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<tr>
<td>12</td>
<td>(d) Chuuk Joint Law Enforcement</td>
<td>50,000</td>
</tr>
<tr>
<td>13</td>
<td>(e) Yap Joint Law Enforcement</td>
<td>25,000</td>
</tr>
<tr>
<td>14</td>
<td>(13) Other Grants, Subsidies and Contributions</td>
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<tr>
<td>15</td>
<td>(a) Kosrae Judiciary Subsidy</td>
<td>30,000</td>
</tr>
<tr>
<td>16</td>
<td>(b) Pohnpei Judiciary Subsidy</td>
<td>45,000</td>
</tr>
<tr>
<td>17</td>
<td>(c) Chuuk Judiciary Subsidy</td>
<td>45,000</td>
</tr>
<tr>
<td>18</td>
<td>(d) Yap Judiciary Subsidy</td>
<td>30,000</td>
</tr>
<tr>
<td>19</td>
<td>(e) COM Treaty Obligations</td>
<td>25,000</td>
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<tr>
<td>20</td>
<td>(f) Tuna Commission Membership</td>
<td>64,065</td>
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<tr>
<td>21</td>
<td>(g) Disaster Assistance Emergency</td>
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<td>22</td>
<td>Fund (DAEF) Matching</td>
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<td>23</td>
<td>(h) MiCare</td>
<td>100,000</td>
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<tr>
<td>24</td>
<td>(i) MLFC Loan Payment</td>
<td>200,000</td>
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<tr>
<td>25</td>
<td>(j) FY10 Single Audit</td>
<td>329,250</td>
</tr>
</tbody>
</table>
CONGRESSIONAL BILL NO. 17-73, C.D.1, C.D.2, C.D.3

(k) Compact Review Committee ...... $ -0-
(l) FSM Social Security ............... 1,200,000
(m) Staff Housing ................... 510,000
(n) Recruitment and repatriation ... 233,218
(o) MLSC .......................... 150,000
(p) Former Presidents' Allowance ... 50,000
(q) GMP Settlement Agreement ...... 2,439,557”

Section 7. Section 9 of Public Law No. 17-19 is hereby amended to read as follows:

“Section 9. Capital and Human Resources Development. The sum of $10,216,812, 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, 2012, for the following capital improvements, development programs and projects, and human resources development. Of the total amount of funds appropriated herein, $3,800,000 shall be deemed to come from funds available under the amended Compact from the education sector subject to the receipt of Grant Awards under the amended Compact; $683,346 shall be deemed to come from funds available under the Supplemental Education Grant; $200,000 shall be deemed to come from funds available under the amended Compact from the health sector subject to receipt of
Grant Awards under the amended Compact; $360,000
shall be deemed to come from funds available under
the amended Compact from the infrastructure sector;
and $-0- shall be deemed to come from funds available
under the amended Compact from the capacity building
sector. The sum appropriated by this section shall
be apportioned as follows:

(1) College of Micronesia – FSM.

   (a) College of Micronesia-FSM .... $ 3,800,000
   (b) FSM Fisheries and Maritime Institute  655,110
   (c) COM-FSM Supplemental Education

Grant (SEG) ..................... 683,346

(2) Department of Finance and Administration.

   (a) Tax Reform .................... 117,000

(3) Department of Resources and Development.

   (a) National Export Strategy ....... 59,750
   (b) Promote FSM in appropriate market
   segments to realize the sector’s potential 100,000
   (c) Improving food security ........ 100,000
   (d) Coconut Rehabilitation Program  69,268
   (e) FSM Chamber of Commerce ...... 67,000

(4) Department of Transportation,
Communication and Infrastructure.

   (a) Dry docking of MS Caroline Voyager 500,000
   (b) President’s Office Improvement  -0-
(c) FSM Capital Rehabilitation .... $ 100,000
(d) FSM Capital Official
Residence Fencing ......................... -0-
(e) FSM Capital Road/Bridge ............ 100,000
(f) Purchase of Aircraft ................. -0-
(g) Backup generator ...................... -0-
(5) Department of Justice.
(a) FSS Independence – Lep ........... 85,000
(b) FSS Micro – Slipping ............... 250,000
(c) Aerial Surveillance ................. 25,000
(d) Immigration/Passport Facilitation -0-
(6) Infrastructure Maintenance Fund
(a) Infrastructure Development ...... -0-
(b) Infrastructure Maintenance
Fund (IMF) .................................. 250,000
(7) President’s Office.
(a) FSM Trust Fund ..................... 1,000,000
(b) Personnel Staff Upgrading ....... 50,000
(c) Personnel Capacity Building Roadmap 115,000
(8) Public Defender (Pohnpei Office).
(a) Office Renovation and Retaining Wall 12,000
(9) National Election.
(a) National election (Voter ID Card Project) ......................... 25,000
(10) Department of Health & Social Affairs.
Section 8. Section 10 of Public Law No. 17-19 is amended to read as follows:

"Section 10. Employment ceilings. The maximum number of positions for each branch and agency of the National Government of the Federated States of Micronesia for fiscal year 2012 shall be as follows: "
CONGRESSIONAL BILL NO. 17-73, C.D.1, C.D.2, C.D.3

PUBLIC LAW NO. 17-28

1 (1) Executive Branch ...................... 478
2 (2) Legislative Branch .................... 60
3 (3) Judiciary Branch ...................... 31
4 (4) Public Auditor ......................... 25
5 (5) Agencies
6 (a) National Oceanic Resource Management Authority .................. 11
7 (b) Coconut Development Authority .... 4
8 (c) FSM Banking Board ..................... 4
9 (d) FSM Insurance Board .................. 4
10 (e) National Postal Services ......... 38
11 (6) Special Programs
12 (a) National Election Office .......... 11"
13 Section 9. Section 12 of Public Law No. 17-19 is hereby amended to read as follows:
14 "Section 12. Allotment and management of funds and lapse dates.
15 (1) General provisions.
16 (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.
17 (b) The allottees shall be responsible for ensuring that these funds, or so much thereof as may be necessary, are used solely for the purposes
specified in this act, and that no obligations are
incurred in excess of the sums 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 of the Federated States
of Micronesia;

(e) Sections 6 through 9 – the allottee of
these funds shall be the President of the Federated
States of Micronesia; PROVIDED, HOWEVER, that for the
following subsections of sections 8 through 9 of this
act:

(i) Section 8, subsection (13)(a)

through (d) – the allottee of these funds shall be
the Chief Justice of the respective State Supreme
Court,
(ii) Section 9(1)(a) - the allottee of these funds shall be the President of the College of Micronesia-FSM,

(iii) Section 9, subsection (12)(a) through (d) - the allottee of these funds shall be the Chief Justice of the FSM Supreme Court.

(3) Lapse date. The authority of the allottees to obligate funds appropriated by this act shall lapse as of September 30, 2012; PROVIDED, HOWEVER, that the funds appropriated under section 9 of this act shall not lapse; PROVIDED FURTHER, that for the funds appropriated by section 9, subsection (16) of this act, the authority of the allottee to obligate funds shall lapse on December 30, 2011."
Section 10. This act shall become law upon approval by
the President of the Federated States of Micronesia or upon its
becoming law without such approval.

December 6, 2011

Manny Mori
President
Federated States of Micronesia