

A BILL FOR AN ACT

To further amend sections 303 and 306 of title 55 of the Code of the Federated States of Micronesia, as amended by Public Law No. 13-93, to modify the division formula for Compact funds, and for other purposes.

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

1 Section 1. Section 303 of title 55 of the Code of the
2 Federated States of Micronesia, as amended by Public Law No.
3 13-93, is hereby further amended to read as follows:

4 "Section 303. Division of Compact Funds among National
5 and State Governments.

6 (1) The Compact Budget Requests for Fiscal Years 2005
7 and 2006 of the National Government and of each State
8 Government under section 305 of this chapter shall be
9 based upon a division of Compact funds in the following
10 proportions:

11	Chuuk	38.57%
12	Kosrae	11.06
13	Pohnpei	25.69
14	Yap	16.03
15	National Government	8.65

16 (2) For Fiscal Year 2007 and thereafter, the
17 chief executives of the National Government and
18 each of the State Governments shall have the
19 authority to enter, from time to time, into one or

1 more agreements setting forth the proportionate
2 amounts of Compact funds that shall be the basis of
3 each Government's Compact Budget Request under
4 sections 305 and 306 of this chapter, provided that
5 the National Government's proportionate amount of
6 Compact funds for each Fiscal Year shall be ten
7 percent (10%) of the estimated level of Compact
8 funding for that year. An agreement regarding the
9 division of Compact funds, other than the National
10 Government's ten percent (10%) share, may be
11 limited to a specified period of time and shall
12 only be effective when signed by the chief
13 executive of each and every Government.

14 (3) For Fiscal Year 2015 and thereafter, the
15 chief executives of the National Government and
16 each of the State Governments shall have the
17 authority to enter, from time to time, into one or
18 more agreements setting forth the proportionate
19 amounts of Compact funds that shall be the basis of
20 each Government's Compact Budget Request under
21 sections 305 and 306 of this chapter, provided that
22 the National Government's proportionate amount of
23 Compact funds for each Fiscal Year shall be five
24 percent (5%) of the estimated level of Compact
25 funding for that year. An agreement regarding the

1 division of Compact funds, other than the National
2 Government's five percent (5%) share, may be
3 limited to a specified period of time and shall
4 only be effective when signed by the chief
5 executive of each and every Government."

6 Section 2. Section 306 of title 55 of the Code of the
7 Federated States of Micronesia, as amended by Public Law No.
8 13-93, is hereby further amended to read as follows:

9 "Section 306. Plan For the Division of Annual Economic
10 Assistance.

11 (1) The President shall consolidate the Compact Budget
12 Requests of all of the States and the National
13 Government Compact Budget Request, conforming with the
14 requirements of section 103 of this title, into the Plan
15 for the Division of Annual Economic Assistance. The
16 National Government compact Budget Request included in
17 the Plan for the Division of Annual Economic Assistance
18 shall constitute, for Fiscal Year 2007 and each fiscal
19 year thereafter, ten percent (10%) of the estimated
20 level of Compact funding for that year. For Fiscal Year
21 2015 and each fiscal year thereafter, the National
22 Government compact Budget Request included in the Plan
23 for the Division of Annual Economic Assistance shall
24 constitute five percent (5%) of the estimated level of
25 Compact funding for that year. No modification to a

1 State's Compact Budget Request shall be made in the
2 consolidation process without the prior consent of the
3 relevant State Government, except to the extent that
4 such Compact Budget Request exceeds the estimated levels
5 of Compact funding provided to that State Government
6 pursuant to section 304 of this chapter.

7 (2) No later than July 3 of the year preceding a given
8 Fiscal Year, the President shall submit the Plan for the
9 Division of Annual Economic Assistance to the Government
10 of the United States and shall transmit a copy to
11 Congress and to each State Government."

12 Section 3. This act shall become law upon approval by the
13 President of the Federated States of Micronesia or upon its
14 becoming law without such approval.

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16 Date: 7/22/13

Introduced by: /s/ Joseph J. Urusemal
Joseph J. Urusemal

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19 /s/ Wesley W. Simina
Wesley W. Simina
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