

**PRESIDENTIAL COMM. NO. 7-322**  
**FSM CONGRESS**

Public Law No. 7 - 83

AN ACT

To amend Public Law No. 7-39, Yap State public projects, by amending section 3 to extend the repayment of funds previously appropriated therein for a loan, and for other purposes.

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

1 Section 1. Section 3 of Public Law No. 7-39 is hereby amended  
2 to read as follows:

3 "Section 3. The sum appropriated under subsection (2) of  
4 section 2 of this act shall be a grant to the Yap State  
5 Public Projects Fund, which is hereby established as a  
6 special fund separate from the General Fund of the  
7 Federated States of Micronesia and all other funds. Any  
8 unexpended moneys in the Yap State Public Projects Fund  
9 shall not revert to the General Fund at the end of the  
10 fiscal year. The Yap State Public Projects Fund shall  
11 continue to exist so long as necessary to carry out the  
12 purposes set out herein, as follows:

13 (1) The purpose of the Yap State Public Projects Fund  
14 shall be to make a loan of \$2,000,000 from the Yap State  
15 Public Projects Fund to the Yap Fishing Corporation for the  
16 purpose of providing long-term financing to the Yap Fishing  
17 Corporation and to utilize the proceeds from repayment of  
18 the loan to make grants to worthy public projects in Yap  
19 State.

20 (2) Such loan shall not be subject to the provisions  
21 of the Financial Management Act of 1979. Such loan shall  
22 be made on reasonable terms to be established by the

1 administrator of the Yap State Public Projects Fund;  
2 PROVIDED, however, that repayment of the loan shall begin 1  
3 year after the date of execution of the loan agreement and  
4 shall be completed no later than 12 years after the date  
5 of execution of the loan agreement, and that no interest  
6 shall be paid upon the loan. Repayment proceeds shall be  
7 deposited in the Yap State Public Projects Fund.

8 (3) The administrator of the Yap State Public  
9 Projects Fund shall be the Governor of Yap State or his  
10 designee, who shall administer the loan to Yap Fishing  
11 Corporation and who shall make grants to worthy public  
12 projects in Yap State from the balances in the Yap State  
13 Public Projects Fund until such time as the loan to Yap  
14 Fishing Corporation is fully repaid and the funds in the  
15 Yap State Public Projects Fund are fully exhausted.

16 (4) Yap State public projects to be funded by grants  
17 from the Yap State Public Projects Fund shall be selected  
18 by the Governor of Yap State or his designee, in  
19 consultation with the Yap State Delegation to the Congress  
20 of the Federated States of Micronesia, and in conformity  
21 with the requirements of subsection (5) of this section.  
22 In no case may a grant from the Yap State Public Projects  
23 Fund be made to the Yap Fishing Corporation.

24 (5) The Yap State Public Projects Fund shall be  
25 allocated to Yap State public projects according to the

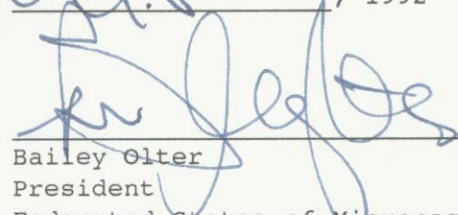
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following distribution:

- (a) Housing projects..... \$ 300,000
- (b) Education and health projects..... 1,000,000
- (c) Marine fisheries and agriculture projects..... 300,000
- (d) Any worthy public project..... 400,000

(6) The Governor of Yap State or his designee shall report to the Congress of the Federated States of Micronesia on the status of the Yap State Public Projects Fund at the close of each fiscal year."

Section 2. This act shall become law upon approval by the President of the Federated States of Micronesia or upon its becoming law without such approval.

Oct 5, 1992  
  
 Bailey Olter  
 President  
 Federated States of Micronesia

