A BILL FOR AN ACT

To appropriate the sum of $3,000,000 from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1995, for the purpose of matching funds appropriated by the Chuuk State Legislature for the paving of the Weno Island circumferential road, and for other purposes.

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

Section 1. The sum of $3,000,000, 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, 1995, for the purpose of matching funds

appropriated by the Chuuk State Legislature for the paving of the Weno Island

circumferential road.

Section 2. All funds appropriated by this act shall be used as matching funds
toward funds appropriated by the Chuuk State Legislature for the paving of the Weno
Island circumferential road. Said matching is hereby established by this act at a one
dollar to one dollar ratio, or for every dollar appropriated by Chuuk State Legislature
for paving of the circumferential road, the funds appropriated by this act shall match
it with one dollar.

Section 3. Drawdown of funds, partial or total, shall be made by the FSM
Secretary of Finance after Chuuk State Legislature has appropriated an equal partial
amount or the equal total amount appropriated by this act.

Section 4. After Chuuk State Legislature has appropriated matching funds
with approval of the Chuuk State Governor, the Governor or his authorized
representative shall certify the amount of funds available for matching to the FSM
Secretary of Finance for drawdown under the relevant provision of this act.

Section 5. All funds appropriated by this act shall be held by Chuuk State in a
separate account, and such funds shall not be expended at a faster rate than the Chuuk
State matching funds.

Section 6. None of the National Government funds shall be expended on non-
Micronesian road workers, except for technical or supervisory personnel who shall
not exceed 10 percent of the project labor force.

Section 7. None of the National Government funds shall be expended on any
road segment for which the National Government has not reviewed and approved plans
and contracts, so as to ensure that the National Government funds are used
consistently with this act, and will not be used in a manner which causes or
aggravates drainage, erosion, environmental or other problems associated with road
construction and paving. The National Government reserves the right to inspect
construction to ensure that it is in accordance with the plans.

Section 8. The Chuuk State Government shall prepare and transmit monthly
reports on the progress of this paving project and the expenditure of funds. The
monthly reports shall be transmitted to the National Government within 10 days of
the end of the month. Failure to provide such reports shall be sufficient cause to
withhold additional funds, to order cessation of the expenditure of the National
Government funds, or require the return of unspent said funds, at the option of the
National Government.

Section 9. 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 by this act shall be the President of the Federated States of Micronesia
or the President's designee. The allottee shall be responsible for ensuring that these
funds, 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. The authority of the allottee to obligate funds appropriated by this act
shall lapse as of September 30, 1996.
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.

Date: __________

Introduced by: [Signature]

Roosevelt Kansou