

A BILL FOR AN ACT

To appropriate the sum of \$2,300,000 out of the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 2008, from the Compact Sector Grant Fund to fund the reduction-in-force component of the Chuuk State financial recovery plan, and for other purposes.

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

1 Section 1. There is hereby appropriated the sum of
2 \$2,300,000 out the General Fund of the Federated States of
3 Micronesia from the Compact Sector Grant, not otherwise
4 appropriated, for the purpose of funding the reduction-in-force
5 component of the Chuuk State financial recovery plan agreed upon
6 pursuant to the terms and conditions of the Memorandum of
7 Understanding made and entered into by and between the government
8 of the Federated States of Micronesia and the Government of the
9 State of Chuuk on July 19, 2007, which is incorporated herein and
10 made a part hereof by reference.

11 Section 2. The sum appropriated pursuant to section 1 of
12 this act shall be used to pay for the annual salaries of those
13 Chuuk State Government employees, whose names are listed on the
14 official list of Chuuk State Government employees to be laid off
15 under the soft-landing scheme of the reduction-in-force. The
16 official list is in the possession of the national government and
17 is incorporated herein by reference as if fully set forth herein.
18 Under that scheme every one of those employees so listed shall
19 receive an amount equivalent to his or her immediately last bi-

1 weekly salary multiplied by twenty-six pay periods.

2 Section 3. Conditions. Upon receipt of the soft-landing
3 compensation, the recipient employee shall be deemed ineligible to
4 be re-employed by the Chuuk State Government anymore until the
5 lapse of at least two-years from the date of receipt of his or her
6 soft-landing compensation. The terms and conditions of the
7 Memorandum of Understanding of July 19, 2007 and the JEMCO terms
8 and conditions of the funds so appropriated herein are
9 incorporated herein and made a part hereof by this reference.

10 Section 4. Allottee. The President of the Federated States
11 of Micronesia shall be the allottee of the funds appropriated
12 herein. All disbursement shall be made³ by the President of the
13 Federated States of Micronesia, or his designee. All funds
14 appropriated by this act shall be allotted, managed, administered
15 and accounted for in accordance with applicable laws, including
16 but not be limited to the Financial Management Act. The allottee
17 shall be responsible for ensuring that these funds, or so much
18 thereof as may be necessary, are used solely for the purpose
19 specified in this act, and that no obligation are incurred in
20 excess of the sum appropriated herein. The authority of the
21 allottee to obligate funds appropriated by this act shall lapse as
22 of September 30, 2008.

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25 Section 5. Effective Date. This act shall become law upon

1 approval by the President of the Federated States of Micronesia or
2 upon its becoming law without such approval.

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4 Date: 4/1/08

Introduced by: /s/ Joe N. Suka

Joe N. Suka
(by request)

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