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A BILL FOR AN ACT

To further amend Public Law No. 14-80, as amended by Public Laws Nos. 14-95, 14-99 and 14-104, and 15-01, the FY 2007 budget, by further amending sections 1 and 2 thereof, in order to provide funding for the full fiscal year ending September 30, 2007 by appropriating funds for the reorganized offices of the Executive Branch, and for other purposes.

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

1           Section 1. The title of Public Law No. 14-80, as amended by  
2 Public Laws Nos. 14-95, 14-99 14-104, and 15-01, is hereby further  
3 amended to read as follows:

4            "To appropriate the sum of [~~\$36,390,720.62~~  
5            \$36,392,091.62 from the General Fund of the Federated  
6            States of Micronesia for the fiscal year ending  
7            September 30, 2007 for the purpose of funding the  
8            operations of all branches of the National Government of  
9            the Federated States of Micronesia, its agencies,  
10           various programs, grants, subsidies and contributions  
11           and to establish a capital and human resources  
12           development budget for the fiscal year 2007, and for  
13           other purposes."

14          Section 2. Section 1 of Public Law No. 14-80, as amended by  
15 Public Laws Nos. 14-95, 14-99, 14-104, and 15-01 is hereby further  
16 amended to read as follows:

17            "Section 1. An annual budget in the amount of  
18            [~~\$36,390,720.62~~] \$36,392,091.62 for the fiscal year

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1 ending September 30, 2007 is hereby approved. There is  
2 hereby appropriated from the General Fund of the  
3 Federated States of Micronesia for the fiscal year  
4 ending September 30, 2007 the sum of [~~\$36,390,720.62~~]  
5 \$36,392,091.62 from for the purpose of funding the  
6 operations of all branches of the National Government of  
7 the Federated States of Micronesia, its agencies,  
8 various programs, grants, subsidies and contributions;  
9 and capital and human resource development for the  
10 fiscal year ending September 30, 2007. The sum  
11 appropriated herein shall be apportioned as follows:"

12 Section 3. Section 2 of Public Law No. 14-80, as amended by  
13 Public Laws Nos. 14-95, 14-99, 14-104, and 15-01, is hereby  
14 further amended to read as follows:

15 "Section 2. Operating expenses of the Executive Branch.  
16 The sum of [~~\$15,175,372~~] \$15,176,743 or so much thereof  
17 as may be necessary, is hereby appropriated from the  
18 General Fund of the Federated States of Micronesia for  
19 the fiscal year ending September 30, 2007, for the  
20 purpose of funding the operations of the Executive  
21 Branch of the National Government for the fiscal year  
22 2007. The sum appropriated by this section shall be  
23 apportioned as follows:

24 (1) Office of the President.

25 [~~\$615,517~~] \$604,864, or so much thereof as may be

1           necessary, for the operations of the Office of the  
 2           President for the fiscal year 2007. The sum  
 3           appropriated herein shall be apportioned as follows:

4	Personnel .....	\$ [ <del>267,341</del> ]	<u>258,688</u>
5	Travel .....	[ <del>98,176</del> ]	<u>96,426</u>
6	Contractual Services .....		145,000
7	OCE .....	[ <del>80,000</del> ]	<u>79,750</u>
8	Fixed Assets .....		25,000

9           (2) Department of Foreign Affairs.

10          \$2,964,306, or so much thereof as may be  
 11          necessary, for the operations of the  
 12          Department of Foreign Affairs for the fiscal  
 13          year 2007. The sum appropriated herein shall  
 14          be apportioned as follows:

15	Personnel .....	\$	1,172,209
16	Travel .....		147,860
17	Contractual Services .....		1,374,907
18	OCE .....		267,850
19	Fixed Assets .....		<u>1,480</u>

20          (3) Department of Finance and Administration.

21          \$ [~~2,570,323~~] 2,535,002 or so much thereof as  
 22          may be necessary, for the operations of the  
 23          Department of Finance and Administration for  
 24          the fiscal year 2007. The sum appropriated  
 25          herein shall be apportioned as follows:

1	Personnel .....	\$ [ <del>1,298,426</del> ]	<u>1,272,830</u>
2	Travel .....	[ <del>246,775</del> ]	<u>244,175</u>
3	Contractual Services .....	[ <del>652,088</del> ]	<u>651,588</u>
4	OCE .....	[ <del>331,834</del> ]	<u>325,459</u>
5	Fixed Assets .....	[ <del>41,200</del> ]	<u>40,950</u>

(4) Department of Economic Affairs.

7 \$1,174,769, or so much thereof as may be  
8 necessary, for the operations of the  
9 Department of Economic Affairs for the fiscal  
10 year 2007. The sum appropriated herein shall  
11 be apportioned as follows:

12	Personnel .....	\$ [ <del>833,325</del> ]	<u>741,839</u>
13	Travel .....		69,169
14	Contractual Services .....	[ <del>112,275</del> ]	<u>97,275</u>
15	OCE .....	[ <del>138,000</del> ]	<u>133,750</u>
16	Fixed Assets .....	[ <del>22,000</del> ]	<u>18,625</u>

17 (5) Department of Transportation, Communication and  
18 Infrastructure.

19 \$1,585,990, or so much thereof as may be  
20 necessary, for the operations of the  
21 Department of Transportation, Communications  
22 and Infrastructure for the fiscal year  
23 2007. The sum appropriated herein shall be  
24 apportioned as follows:

25	Personnel .....	\$	<u>436,846</u>
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1	Travel .....	103,000
2	Contractual Services, provided that \$143,096 will be	
3	used for PPOL for Caroline Voyager .....	968,144
4	OCE .....	70,000
5	Fixed Assets .....	8,000

6           (6) Department of Health, Education and Social  
 7           Affairs.

8           \$[~~2,066,840~~] 1,068,339, or so much thereof as  
 9           may be necessary, for the operations of the  
 10          Department of Health, Education and Social  
 11          Affairs for the fiscal year 2007. Of the  
 12          total funds appropriated herein, \$359,080  
 13          shall be deemed to come from funds available  
 14          under the amended Compact for the education  
 15          sector, \$767,164 from the health sector, and  
 16          \$643,843 from the supplemental education grant  
 17          (SEG) for fiscal year 2006, provided that,  
 18          these funds shall not be allotted or obligated  
 19          until such time as formal approval has been  
 20          obtained in accordance with the Amended  
 21          Compact of Free Association. The sum  
 22          appropriated herein shall be apportioned as  
 23          follows:

24	Personnel .....	\$ [ <del>803,480</del> ] <u>603,700</u>
25	Travel .....	\$ [ <del>259,211</del> ] <u>194,408</u>

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1	Contractual Services .....	[ <del>186,387</del> ]	<u>139,790</u>
2	OCE .....	[ <del>813,062</del> ]	<u>126,915</u>
3	Fixed Assets .....	[ <del>4,700</del> ]	<u>3,525</u>

4       (7) Department of Education.  
5       \$731,363, or so much thereof as may be necessary, for  
6       the operations of the Department of Education for the  
7       fiscal year 2007. Of the total funds appropriated  
8       herein, \$359,080 shall be deemed to come from funds  
9       available under the amended Compact for the education  
10       sector, and \$643,843 from the supplemental education  
11       grant (SEG) for fiscal year 2006, provided that, these  
12       funds shall not be allotted or obligated until such time  
13       as formal approval has been obtained in accordance with  
14       the Amended Compact of Free Association. The sum  
15       appropriated herein shall be apportioned as follows:

16	Personnel .....	\$	<u>69,000</u>
17	Travel .....		<u>10,230</u>
18	Contractual Services .....		<u>0</u>
19	OCE .....		<u>2,250</u>
20	Fixed Assets .....		<u>0</u>

21       (8) Department of Health and Social Affairs.  
22       \$237,053, or so much thereof as may be necessary, for  
23       the operations of the Department of Health and Social  
24       Affairs for the fiscal year 2007. The sum appropriated  
25       herein shall be apportioned as follows:

1	Personnel .....	\$	<u>110,656</u>
2	Travel .....		<u>51,776</u>
3	Contractual services .....		<u>47,106</u>
4	OCE .....		<u>26,340</u>
5	Fixed Assets .....		<u>1,175</u>

6 ~~[-(7)]~~ (9) Department of Justice.

7 \$~~[2,739,589]~~ 2,746,754, or so much thereof as  
 8 may be necessary, for the operations of the  
 9 Department of Justice for the fiscal year  
 10 2007. The sum appropriated herein shall be  
 11 apportioned as follows:

12	Personnel.....	\$	<del>[1,844,130]</del>	<u>1,851,295</u>
13	Travel.....			104,000
14	Contractual Services, provided that \$50,000			
15	will be used as a contributions towards the			
16	Police Academy Training in 2007 .....			190,100
17	OCE .....			565,359
18	Fixed Assets .....			36,000

19 (10) Office of Environment and Emergency  
 20 Management.

21 \$24,004, or so much thereof as may necessary,  
 22 for the operations of the Department of  
 23 Environment and Emergency Management for the  
 24 fiscal year 2007. The sum appropriated herein  
 25 shall be apportioned as follows:

1	Personnel .....	\$	<u>22,004</u>
2	Travel .....		<u>1,581</u>
3	Contractual Services .....		<u>419</u>
4	OCE .....		<u>0</u>
5	Fixed Assets .....		<u>0</u>

6 ~~[(8)]~~ (11) Office of the Public Defender.  
 7 \$635,991, or so much thereof as may be  
 8 necessary, for the operations of the Office of  
 9 the Public Defender for the fiscal year 2007.

10 The sum appropriated herein shall be  
 11 apportioned as follows:

12	Personnel .....		458,244
13	Travel .....	\$	69,503
14	Contractual Services .....		52,044
15	OCE .....		47,350
16	Fixed Assets .....		8,850

17 ~~[(9)]~~ (12) Office of Statistics, Budget, Overseas  
 18 Development Assistance, and Compact  
 19 Management.

20 \$~~[822,047]~~ 953,493, or so much thereof as may  
 21 be necessary, for the operations of the Office  
 22 of Statistics, Budget, Overseas Development  
 23 and Compact Management for the fiscal year  
 24 2007. Of the total funds appropriated herein,  
 25 \$300,000 shall be deemed to come from funds



1 available under the amended Compact carryover  
 2 from fiscal year 2005 and shall be used for  
 3 foreign consultant fees, provided that, these  
 4 funds shall not be allotted or obligated until  
 5 such time as formal approval has been obtained  
 6 in accordance with the amended Compact. The  
 7 sum appropriated herein shall be apportioned  
 8 as follows:

9	Personnel .....	\$ <del>97,247</del>	<u>196,343</u>
10	Travel .....	[70,000]	<u>72,600</u>
11	Contractual Services .....	[602,800]	<u>618,300</u>
12	OCE .....	[34,000]	<u>44,625</u>
13	Fixed Assets .....	[18,000]	<u>21,625</u>

14 (13) Office of National Archives, Culture and  
 15 Historic Preservation.

16 \$28,927, or so much thereof as may be  
 17 necessary, for the operations of the Office of  
 18 National Archives, Culture and Historic  
 19 Preservation for the fiscal year 2007. The  
 20 sum appropriated herein shall be apportioned  
 21 as follows:

22	Personnel .....	\$	<u>22,265</u>
23	Travel .....		<u>2,798</u>
24	Contractual Services .....		<u>2,116</u>
25	OCE .....	\$	<u>1,750</u>

1 Fixed Assets ..... 0"

2 Section 4. Section 8 of Public Law No. 14-80, as amended by  
3 Public Law No. 14-99, 14-104, and 15-01, is hereby amended to  
4 read as follows:

5 "Section 8. Grants, Subsidies and Contributions. The  
6 sum of \$5,099,750.62 or so much thereof as may be  
7 necessary, is hereby appropriated from the General Fund  
8 of the Federated States of Micronesia for the fiscal  
9 year ending September 30, 2007, for the following  
10 grants, subsidies and contributions during fiscal year  
11 2007. The sum appropriated by this section shall be  
12 apportioned as follows:

- 13 (1) Department of Foreign Affairs.
- 14 (a) Pacific Islands Forum Secretariat 46,000
- 15 (b) Secretariat for the Pacific
- 16 Community (SPC) ..... 56,000
- 17 (c) UN and Specialized Agencies (UN) 60,000
- 18 (d) UN Economic and Social Commission
- 19 for Asia and the Pacific (ESCAP) ..... 5,000
- 20 (e) East-West Center ..... 5,000
- 21 (f) United Nations Development
- 22 Program (UNDP) ..... 23,500
- 23 (g) Activities in preparation for the
- 24 establishment of an FSM embassy in
- 25 Beijing .....\$ 207,585

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1	(2) <u>Department of Finance and Administration.</u>	
2	(a) ACP Membership Fees .....	40,000
3	(b) OCO Membership Fee .....	2,000
4	(c) Maintenance fee for Financial	
5	Management Information System .....	60,000
6	(3) <u>Department of [<del>Economic Affairs</del>] Resources and</u>	
7	<u>Development.</u>	
8	(a) Pacific Islands Development	
9	Program .....	15,000
10	(b) Forum Fisheries Agency (FFA) ....	21,000
11	(c) UN Development Program .....	3,000
12	(d) Coordinating Committee for	
13	Offshore Minerals Prospecting (SOPAC) .....	40,000
14	(e) Pacific Asia Travel Association .	5,000
15	(f) UN Environmental Program (UNEP) .	600
16	(g) Western Forestry Leadership	
17	Coalition .....	-0-
18	(h) Seaframe Program .....	-0-
19	(i) Food Agriculture Organization (FAO)	4,700
20	(j) UN Framework Convention .....	250
21	(k) National Association of State	
22	Foresters .....	-0-
23	(l) National Environmental	
24	Speech Contest .....	-0-
25	(m) FA/TCP Matching .....	\$ 34,500

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1	(n) Matching for SPC Projects .....	60,000
2	(o) Tourism activities, provided that,	
3	no funds shall be allotted until such time as	
4	the Tourism Unit has submitted a plan for the	
5	use of the funds to the Standing Committee on	
6	Resources and Development and received written	
7	approval of the plan from the Chairman of the	
8	Committee .....	50,000
9	(4) <u>Department of Health, Education and</u>	
10	<u>Social Affairs.</u>	
11	(a) UN Fund for Population	
12	Activity (UNFPA) .....	3,000
13	(b) South Pacific Regional	
14	Environmental Program (SPREP) .....	7,375
15	(c) Aid to Non-Public Schools .....	300,000
16	(d) Financial Assistance to FSM	
17	Students attending College of Marshalls	
18	and Palau Community College .....	50,000
19	(e) World Health Organization (WHO) .	41,385
20	(f) National Board of Nursing .....	10,000
21	(g) Pacific Islands Health	
22	Officers Association .....	20,000
23	(h) National Close-Up Local Program .	64,000
24	(i) FSM Amateur Sports Association ..	20,000
25	(j) College of Micronesia Board (COM) \$	5,000

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1	(k) Association of Territorial	
2	Health Organization .....	2,000
3	(l) FSM Red Cross .....	70,000
4	(m) UNESCO .....	4,000
5	(n) Independent professional evaluations,	
6	including but not limited to the evaluation of the	
7	national student testing systems and a personnel audit	
8	of the Chuuk State school system, provided that all	
9	funds appropriated herein shall be deemed to come from	
10	funds available under the amended Compact for the	
11	Education Sector, and provided that, these funds shall	
12	not be allotted or obligated until such time as formal	
13	approval has been obtained in accordance with the	
14	amended Compact .....	200,000
15	(o) Fuel, utilities, communication,	
16	equipment and contractual services for the	
17	Division of Education, provided that all funds	
18	appropriated herein shall be deemed to come	
19	from funds available under the amended Compact	
20	for the Education Sector, and provided that,	
21	these funds shall not be allotted or obligated	
22	until such time as formal approval has been	
23	obtained in accordance with the	
24	amended Compact .....	45,068
25	(p) \$57,000 for Division of Health	

1 projects and programs, provided that, all  
 2 funds appropriated herein shall be deemed to  
 3 come from funds available under the amended  
 4 Compact for the Health Sector, and provided  
 5 that, these funds shall not be allotted or  
 6 obligated until such time as formal approval  
 7 has been obtained in accordance with the  
 8 amended Compact. The sum appropriated herein  
 9 shall be apportioned as follows:

10	(i) Projected shortfalls in	
11	communications .....	\$ 2,000
12	(ii) Drugs and medical supplies	
13	for Mental Health & Substance Abuse Program	10,000
14	(iii) Contracting off-island	
15	visiting medical specialists .....	28,000
16	(iv) TB & STD clinic supplies	
17	for the State governments .....	3,000
18	(v) Travel for off-island	
19	visiting medical specialists .....	14,000

20 (q) National Scholarship Fund, provided that, all  
 21 funds appropriated herein shall be deemed to come from  
 22 funds available from the Supplemental Education Grant  
 23 (SEG) for fiscal year 2006, and provided that, these  
 24 funds shall not be allotted or obligated until such time  
 25 as formal approval has been obtained in accordance with

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1	the amended Compact .....	\$ 141,777
2	(5) <u>Department of Transportation,</u>	
3	<u>Communications and Infrastructure.</u>	
4	(a) Asia-Pacific Telecommunity (APT)	7,640
5	(b) International Telecommunications	
6	Union (ITU) .....	55,000
7	(c) International Civil Aviation	
8	Organization .....	28,050
9	(d) Micronesian Shipping Commission .	10,000
10	(e) FSM Capital	
11	Energy/Utilities .....	390,000
12	(f) Marine and aviation	
13	skills updating .....	50,000
14	(6) <u>Coconut Development Authority (CDA).</u>	
15	(a) Copra Subsidy .....	50,000
16	(b) Asia Pacific Coconut	
17	Community (APCC) .....	15,000
18	(c) Pilot Plant Project .....	49,300
19	(7) Other Grants, Subsidies and Contributions.	
20	(a) Kosrae Judiciary subsidy .....	30,000
21	(b) Pohnpei Judiciary subsidy .....	45,000
22	(c) Chuuk Judiciary subsidy .....	45,000
23	(d) Yap Judiciary subsidy .....	20,000
24	(e) COM Treaty Obligations .....	25,000
25	(f) Micronesian Legal Services	

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1	Corporation .....	\$ 150,000
2	(g) States Joint Law Enforcement,	
3	provided that \$25,000 shall go to Kosrae	
4	State, \$50,000 shall go to Pohnpei State,	
5	\$50,000 shall go to Chuuk State and	
6	\$25,000 shall go to Yap State .....	150,000
7	(h) Tuna Commission Membership .....	16,000
8	(i) Disaster Assistance Emergency	
9	Fund (DAEF) Matching .....	200,000
10	(k) Maritime Boundary Delimitation ..	43,500
11	(l) Yap Judiciary subsidy to be used	
12	solely to fund scholarships for citizens of	
13	Yap who are studying law .....	10,000
14	(m) Passport Revolving Fund .....	233,607.62
15	(n) State of Kosrae, PROVIDED THAT the amount	
16	appropriated herein shall take the form of a loan, the	
17	terms of which have been agreed between the President	
18	and the Governor of Kosrae, to help the State recover	
19	from its current financial	
20	crisis.....	1,500,000
21	(o) July 2007 Presidential	
22	Inauguration .....	74,000
23	(p) July 2007 Presidential Inauguration -	
24	Congress funding to be divided as follows:	
25	(i) Kosrae Delegation .....	\$ 5,000



1	(ii) Yap Delegation .....	7,000
2	(iii) Chuuk Delegation .....	13,000
3	(iv) Pohnpei Delegation .....	1,000
4	Total .....	26,000
5	(q) MiCare, to be used to cover 10%	
6	increase in premiums for members of	
7	health plan .....	16,913
8	(r) Land Grant Treaty .....	25,000
9	(s) Funeral expenses for former	
10	President Tosiwo Nakayama .....	55,000"

11 Section 5. Section 9 of Public Law No. 14-80, as amended by  
 12 Public Laws Nos. 14-95 and 14-104, is hereby further amended to  
 13 read as follows:

14 Section 9. Capital and Human Resource Development. The sum  
 15 of \$8,555,333, or so much thereof as may be necessary, is hereby  
 16 appropriated from the General Fund of the Federated States of  
 17 Micronesia for the fiscal year ending September 30, 2007, for the  
 18 following capital improvements, development programs and projects  
 19 and human resource development. The sum appropriated by this  
 20 section shall be apportioned as follows:

21 (1) College of Micronesia-FSM.  
 22 \$6,272,833, or so much thereof as may be necessary, for  
 23 the operations, programs and projects of the College  
 24 during fiscal year 2007. The sum appropriated herein  
 25 shall be apportioned as follows:

1 (a) COM-FSM operations, PROVIDED THAT  
2 all funds appropriated herein shall be deemed  
3 to come from funds available under the amended  
4 Compact for the Education Sector, provided  
5 further that, \$52,833 of these funds shall be  
6 used only for fuel, utilities, communication,  
7 equipment and contractual services, and  
8 provided that, these funds shall not be  
9 allotted or obligated until such time as  
10 formal approval has been obtained in  
11 accordance with the Amended Compact of Free  
12 Association .....\$ 3,852,833

13 (b) Fisheries and Maritime Institute 650,000

14 (c) COM-FSM State Campus Facility  
15 Improvement, PROVIDED THAT the sum  
16 appropriated herein shall be deemed to come  
17 from funds available under the amended Compact  
18 for Infrastructure Development Sector and,  
19 provided that, these funds shall not be  
20 allotted or obligated until such time as  
21 formal approval has been obtained in  
22 accordance with the Amended Compact of Free  
23 Association ..... 1,500,000

24 ..... (d) COM-FSM Work Study Program, Student  
25 Assistance and Summer Study Program, PROVIDED

1 THAT the General Fund shall be reimbursed for  
 2 any expenditures under this subsection from  
 3 Supplemental Education Grant (SEG) funds for  
 4 fiscal year 2007 once these funds are made  
 5 available\$ 270,000

6 (2) Department of Finance and Administration.

7 (a) National Staff Upgrading ..... 50,000

8 (b) Asian Development Bank MLFC Loan -0-

9 (3) Department of [~~Economic Affairs~~] Resources and  
 10 Development.

11 (a) FSM Tourism Promotion ..... 100,000

12 (b) FSM Trade and FDI Project ..... 75,000

13 (c) Diversification of Energy ..... 125,000

14 (d) Crop Production Improvement ..... 15,000

15 (4) Department of Transportation,  
 16 Communication and Infrastructure.

17 (a) Dry Docking of MS Voyager PROVIDED  
 18 THAT of the amount appropriated herein  
 19 \$756,592 shall come from funds available under  
 20 the amended Compact for Infrastructure  
 21 Development Sector and, provided that, these  
 22 funds shall not be allotted or obligated until  
 23 such time as formal approval has been obtained  
 24 in accordance with the Amended Compact of Free  
 25 Association .....\$ 880,000

1	(b) Tuna Commission Headquarters	
2	Supplement .....	-0-
3	(5) <u>Department of Justice.</u>	
4	(a) FSM Patrol Boat Slipping .....	250,000
5	(b) Construction of 2 fuel tanks ....	-0-
6	(6) <u>FSM Postal Services.</u>	
7	(a) Pohnpei Post Office renovation ..	50,000
8	(7) <u>Infrastructure Maintenance Fund (IMF).</u>	
9	(a) IMF PROVIDED THAT \$118,750 of the	
10	funds appropriated herein shall be deemed to	
11	come from funds available under the amended	
12	Compact for Infrastructure Development Sector	
13	and, provided that, these funds shall not be	
14	allotted or obligated until such time as	
15	formal approval has been obtained in	
16	accordance with the Amended Compact of Free	
17	Association.....	237,500
18	(8) <u>FSM Development Bank.</u>	
19	(a) Escrow Account USDA Housing Program	-0-
20	(9) <u>FSM Trust Fund.</u>	
21	(a) FSM Trust Fund created under the	
22	Amended Compact of Free Association .....	\$ 500,000
23		
24		

25 Section 6. This act shall become law upon approval by the

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

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4 Date: 7/10/07

Introduced by: /s/ Joe N. Suka  
Joe N. Suka  
(by request)

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