

THIRD CONGRESS OF THE FEDERATED STATES OF MICRONESIA

SECOND REGULAR SESSION, 1983

CONGRESSIONAL BILL NO. 3-168

AN ACT

To further amend title 55 of the Code of the Federated States of Micronesia, as amended by Public Laws Nos. 2-68, 2-69, and 3-23, by amending section 212 and by adding a new section 213 establishing the Capital Improvement Program Fund, and for other purposes.

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

1 Section 1. Section 212 of title 55 of the Code of the Federated
2 States of Micronesia, as amended by Public Laws Nos. 2-68 and 3-23, is
3 hereby further amended to read as follows:

4 "Section 212. Enhanced Operations and Maintenance Fund.

5 (1) There is hereby created within the National Treasury
6 of the Federated States of Micronesia an Enhanced Operations
7 and Maintenance Fund.

8 (2) All United States grant funds allotted to the
9 President of the Federated States of Micronesia by the Trust
10 Territory Government or United States Government specifically
11 for enhanced operations and maintenance activities in the
12 States shall be deposited in the Enhanced Operations and
13 Maintenance Fund.

14 (3) United States grant funds for enhanced operations
15 and maintenance include funding for:

16 (a) The purchase of necessary spare parts, equip-
17 ment, and various utility maintenance supplies;

18 (b) The employment of skilled personnel;

19 (c) The initiation or enhancement of training
20 programs to upgrade technical skills in the public works
21 area; and

22 (d) Such other activities as may be authorized by

CONGRESSIONAL BILL NO. 3-168

1 appropriation laws of the United States and agreed to by the
2 Federated States of Micronesia Government and the Trust
3 Territory Government for enhanced operations and maintenance.

4 (4) The President or his designee shall notify Congress
5 of all grant awards and deposits to the Enhanced Operations
6 and Maintenance Fund.

7 (5) Any portion of enhanced operations and maintenance
8 funding made available to and accepted by the National Govern-
9 ment to cover its costs for the administration of the enhanced
10 operations and maintenance program shall be deposited in the
11 United States Grant Special Fund and may be withdrawn by
12 appropriation laws enacted by the Congress of the Federated
13 States of Micronesia in accordance with section 210 of this act.

14 (6) Deposits in the Enhanced Operations and Maintenance
15 Fund shall be made available to and administered by the
16 President of the Federated States of Micronesia or his designee
17 in accordance with a written plan prepared by the National and
18 four State Governments and approved by the High Commissioner
19 of the Trust Territory Government. The plan shall set forth
20 all proposed expenditures of such funds as may be available
21 to each State by the terms of the appropriation laws of the
22 United States Government or by the actions of the High Com-
23 missioner pursuant to authority set forth in the appropriation
24 laws of the United States. To the extent that the terms of
25 the appropriation laws of the United States do not allocate

1 such funds specifically to the States, and such laws do not
2 so empower the High Commissioner to act in this regard, or
3 the High Commissioner chooses not to act, such funds shall
4 be allocated by the President in an equitable manner which
5 reflects the needs of each State based on a plan prepared by
6 the National and four State Governments, subject to the
7 approval of Congress by resolution. If Congress is not in
8 session, the appropriate committee shall review and approve
9 the manner of distribution of the funds. The Congress or
10 the committee shall complete its review within 30 days of
11 submission. If the Congress or the appropriate committee
12 fails to act within 30 days of submission, the proposed
13 distribution of funds shall be deemed approved. The
14 President shall be the allottee of the funds and shall have
15 the authority to make suballotments to the Governors at such
16 times and in such manner as may be required by sound financial
17 management techniques. All funds which have been allotted to
18 the President or suballotted to the Governors of the States
19 shall be administered, managed, and accounted for in accordance
20 with applicable law, including, but not limited to, the
21 Financial Management Act of 1979, and regulations pursuant
22 thereto."

23 Section 2. Title 55 of the Code of the Federated States of Micro-
24 nesia, as amended by Public Laws Nos. 2-68, 2-69, and 3-23, is hereby
25 further amended by adding a new section 213 to read as follows:

1 "Section 213. Capital Improvement Fund.

2 (1) There is hereby created within the National Treasury
3 of the Federated States of Micronesia a Capital Improvement
4 Program Fund.

5 (2) All United States grant funds, including United
6 States federal program funds, allotted to the President of
7 the Federated States of Micronesia by the Trust Territory
8 Government or the United States Government specifically for
9 capital improvement projects in the States shall be deposited
10 in the Capital Improvement Program Fund.

11 (3) United States grant funds and federal program funds
12 for the capital improvement program shall include funding for
13 the development of the basic infrastructure of the Federated
14 States of Micronesia in conformance with the intent of the
15 original Capital Improvement Program and other funding
16 transferred under any agreement between the National Government
17 of the Federated States of Micronesia and the Government of the
18 Trust Territory of the Pacific Islands, regarding the transfer
19 of capital improvement project funding and administration.

20 (4) The President or his designee shall notify Congress
21 of all grant awards and deposits to the Capital Improvement
22 Program Fund.

23 (5) Any portion of capital improvement funding made
24 available to and accepted by the National Government to
25 cover its costs for the administration of the Capital

1 Improvement Program shall be deposited in the United States
2 Grant Special Fund and may be withdrawn by appropriation laws
3 enacted by the Congress of the Federated States of Micronesia
4 in accordance with section 210 of this act.

5 (6) Deposits in the Capital Improvement Program Fund shall
6 be made available to and administered by the President or his
7 designee in accordance with a written agreement between the
8 National Government of the Federated States of Micronesia and
9 the Trust Territory Government for the transfer of capital
10 improvement project funding and administration. The funds shall
11 be allocated among the States in accordance with the terms of
12 the appropriation laws of the United States, or by the actions
13 of the High Commissioner pursuant to authority set forth in the
14 appropriation laws of the United States. To the extent that the
15 terms of the appropriation laws of the United States do not
16 allocate such funds specifically to the States, and such laws
17 do not so empower the High Commissioner to act in this regard,
18 or the High Commissioner chooses not to act, such funds shall
19 be allocated by the President in an equitable manner which
20 reflects the needs of each State, subject to the approval of
21 Congress by resolution. If Congress is not in session, the
22 appropriate committee shall review and approve the manner of
23 distribution of the funds. The Congress or the appropriate
24 committee shall complete its review within 30 days of submission.
25 If the Congress or the appropriate committee fails to act

Public Law No. 3 - 28

CONGRESSIONAL BILL NO. 3-168

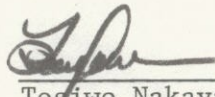
1 within 30 days of submission, the proposed distribution of
2 funds shall be deemed approved. The President shall be the
3 allottee of the funds and shall have the authority to make
4 suballotments to the Governors at such times and in such
5 manner as may be required by sound financial management
6 techniques. All funds which have been allotted to the
7 President or suballotted to the Governors of the States shall
8 be administered, managed, and accounted for in accordance with
9 applicable law, including, but not limited to, the Financial
10 Management Act of 1979, and regulations pursuant thereto."

11 Section 3. Sections 213, 214, 215, 216, 217, 218, 219, 220, 221,
12 222, 223, 224, 225, 226, and 227 of title 55 of the Code of the Federated
13 States of Micronesia, as amended by Public Laws Nos. 2-68, 2-69, and 3-23,
14 are hereby renumbered 214, 215, 216, 217, 218, 219, 220, 221, 222, 223,
15 224, 225, 226, 227, and 228 respectively.

16 Section 4. This act shall become law upon approval by the President
17 of the Federated States of Micronesia or upon its becoming law without
18 such approval.

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December 19, 1983



Tosiwo Nakayama
President
Federated States of Micronesia