
A RESOLUTION

Approving Amendment No. 1 to the "Memorandum of Understanding with respect to the Division of Grant Assistance under the Compact of Free Association among the National and State Governments of the Federated States of Micronesia."

1 WHEREAS, section 211(a)(2) of the Compact of Free Association
2 between the Government of the Federated States of Micronesia and
3 the Government of the United States of America and article V,
4 paragraph 1 of the "Agreement Concerning Procedures for the
5 Implementation of United States Economic Assistance, Programs
6 and Services Provided in the Compact of Free Association between
7 the Government of the United States and the Government of the
8 Federated States of Micronesia" require that the Government of
9 the Federated States of Micronesia certify to the Government of the
10 United States, at least 30 days in advance of each fiscal year, the
11 division of U.S. grant assistance to be provided under the Compact of
12 Free Association among the National and State Governments of the
13 Federated States of Micronesia, and that such division was determined
14 by mutual agreement of such governments; and

15 WHEREAS, pursuant to the requirements of the Compact of Free
16 Association and its related agreements, the President of the
17 Federated States of Micronesia and the Governors of the States of
18 Kosrae, Pohnpei, Truk and Yap, in 1984, executed a "Memorandum
19 of Understanding with respect to the Division of Grant
20 Assistance under the Compact of Free Association among the
21 National and State Governments of the Federated States of
22 Micronesia" (hereinafter "Memorandum of Understanding"), which
23 Memorandum of Understanding contains formulae, understandings,
24 and other provisions relating to division among the State and
25 National Governments of the Federated States of Micronesia of

1 the U.S. grant assistance to be provided pursuant to sections
2 211, 212, 213, 214, 215, 216, 217, and 221 of the Compact of Free
3 Association; and

4 WHEREAS, the Memorandum of Understanding was subsequently
5 approved by the legislatures of all four States of the Federated
6 States of Micronesia; and

7 WHEREAS, the Congress of the Federated States of Micronesia, on
8 March 26, 1986, adopted Congressional Resolution No. 4-60, C.D.3,
9 approving the Memorandum of Understanding and authorizing the
10 President of the Federated States of Micronesia to negotiate such
11 amendments to the Memorandum of Understanding as may be necessary
12 to provide for the administration and division of the U.S. grants
13 and assistance to be provided under sections 105(i)(2) and
14 111(b) of U.S. Public Law 99-239; and

15 WHEREAS, since execution of the Memorandum of Understanding
16 in 1984, certain questions have arisen as to the proper
17 interpretation and consistency of the formulae contained in the
18 Memorandum of Understanding regarding the division of the Compact
19 section 221(a)(2) major block grants, State/National cost-sharing
20 arrangements under Joint Law Enforcement Agreements, the procedure
21 for offsetting Department of Interior operational grants already
22 received in FY 1987 from first quarter FY 1987 funds to be received
23 under the Compact of Free Association, and administration of the
24 scholarship grants to be provided under section 216(a)(3) of the
25 Compact of Free Association; and

1 WHEREAS, since execution of the Memorandum of Understanding
2 in 1984, the Government of the United States has agreed to provide
3 the Federated States of Micronesia with certain additional U.S.
4 grant assistance, including Investment Development Fund monies
5 and certain U.S. federal program monies, and formula and procedures
6 are necessary to provide for the administration and division of
7 these monies among the National and State Governments of the
8 Federated States of Micronesia; and

9 WHEREAS, on December 19, 1986 during the Ninth Chief
10 Executives' Conference, the President of the Federated States of
11 Micronesia, the Governors of the States of Kosrae, Pohnpei and Truk,
12 and the duly authorized representative of the Governor of the State
13 of Yap executed Amendment No. 1 to the Memorandum of Understanding,
14 providing for mutually agreed resolutions to most of these questions
15 and for a mutually agreed approach for administration and division
16 of the Investment Development Fund monies; and

17 WHEREAS, on December 19, 1986, the Ninth Chief Executives'
18 Conference adopted CEC Resolution No. 9-5 reaffirming the
19 Memorandum of Understanding, subject only to further consideration
20 of the division formula for Compact section 216(a)(3) scholarship
21 grants at the next Chief Executives' Conference, to expeditious
22 determination of formulae for distribution of U.S. federal program
23 funding, and to approval of Amendment No. 1 to the Memorandum of
24 Understanding; now, therefore,

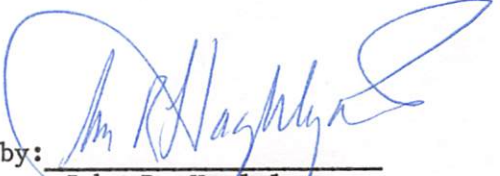
25 BE IT RESOLVED by the Fourth Congress of the Federated States

1 of Micronesia, Fourth Special Session, 1987, that the Congress
2 hereby approves Amendment No. 1 to the "Memorandum of Understanding
3 with respect to the Division of Grant Assistance under the Compact
4 of Free Association among the National and State Governments of
5 the Federated States of Micronesia"; and

6 BE IT FURTHER RESOLVED that the President of the Federated
7 States of Micronesia is urged to expeditiously enter into further
8 discussions and negotiations with the Governors of the four States
9 of the Federated States of Micronesia to finally resolve the
10 question of a proposed amendment to the Memorandum of Understanding
11 regarding the administration and distribution of the scholarship
12 grants to be provided under section 216(a)(3) of the Compact of
13 Free Association and to address the matter of division of U.S.
14 federal program funds among the State and National Governments
15 of the Federated States of Micronesia, including the matter of
16 an equitable share of such funding for the National Government
17 of the Federated States of Micronesia in order to implement its
18 State agency status responsibilities; and

19 BE IT FURTHER RESOLVED that certified copies of this
20 resolution be transmitted to the President of the Federated States
21 of Micronesia, the Governor of each State of the Federated States
22 of Micronesia, and the Speaker of each State legislature within the
23 Federated States of Micronesia.

24
25 Date: 1/19/87

Introduced by: 
John R. Haglelgam
(by request)