

THIRD CONGRESS OF THE FEDERATED STATES OF MICRONESIA

SECOND REGULAR SESSION, 1983

CONGRESSIONAL BILL NO. 3-168

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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

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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

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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:

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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

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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

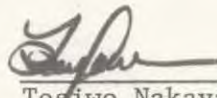
1           within 30 days of submission, the proposed distribution of  
2           funds shall be deemed approved. The President shall be the  
3           allottee of the funds and shall have the authority to make  
4           suballotments to the Governors at such times and in such  
5           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

  
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Tosiwo Nakayama  
President  
Federated States of Micronesia