

SEVENTH CONGRESS OF THE FEDERATED STATES OF MICRONESIA

FIRST REGULAR SESSION, 1991

CONGRESSIONAL BILL NO. 7-11, C.D.1

AN ACT

To appropriate the sum of \$3,000,000 from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1992, for the purpose of funding Yap State public projects, and for other purposes.

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

1 Section 1. The sum of \$3,000,000, or so much thereof as may be
2 necessary, is hereby appropriated from the General Fund of the
3 Federated States of Micronesia for the fiscal year ending September
4 30, 1992, for the purpose of funding Yap State public projects.

5 Section 2. The sum appropriated under section 1 of this act
6 shall be apportioned as follows:

- 7 (1) National Fisheries Corporation for an
8 equity contribution to the Yap Fishing Corporation
9 public project..... \$1,000,000
10 (2) Yap State Public Projects Fund public
11 project..... 2,000,000

12 Section 3. The sum appropriated under subsection (2) of
13 section 2 of this act shall be a grant to the Yap State Public
14 Projects Fund, which is hereby established as a special fund separate
15 from the General Fund of the Federated States of Micronesia and all
16 other funds. Any unexpended moneys in the Yap State Public Projects
17 Fund shall not revert to the General Fund at the end of the fiscal
18 year. The Yap State Public Projects Fund shall continue to exist so
19 long as necessary to carry out the purposes set out herein, as
20 follows:

21 (1) The purpose of the Yap State Public Projects Fund shall
22 be to make a loan of \$2,000,000 from the Yap State Public Projects



1 Fund to the Yap Fishing Corporation for the purpose of providing
2 long-term financing to the Yap Fishing Corporation and to utilize the
3 proceeds from repayment of the loan to make grants to worthy public
4 projects in Yap State.

5 (2) Such loan shall not be subject to the provisions of the
6 Financial Management Act of 1979. Such loan shall be made on
7 reasonable terms to be established by the administrator of the Yap
8 State Public Projects Fund; PROVIDED, however, that repayment of the
9 loan shall begin 1 year after the date of execution of the loan
10 agreement and shall be completed no later than 5 years after the date
11 of execution of the loan agreement, and that no interest shall be
12 paid upon the loan. Repayment proceeds shall be deposited in the Yap
13 State Public Projects Fund.

14 (3) The administrator of the Yap State Public Projects
15 Fund shall be the Governor of Yap State or his designee, who shall
16 administer the loan to Yap Fishing Corporation and who shall make
17 grants to worthy public projects in Yap State from the balances in
18 the Yap State Public Projects Fund until such time as the loan to Yap
19 Fishing Corporation is fully repaid and the funds in the Yap State
20 Public Projects Fund are fully exhausted.

21 (4) Yap State public projects to be funded by grants from
22 the Yap State Public Projects Fund shall be selected by the Governor
23 of Yap State or his designee, in consultation with the Yap State
24 Delegation to the Congress of the Federated States of Micronesia, and
25 in conformity with the requirements of subsection (5) of this

1 section. In no case may a grant from the Yap State Public Projects
2 Fund be made to the Yap Fishing Corporation.

3 (5) The Yap State Public Projects Fund shall be allocated
4 to Yap State public projects according to the following distribution:

- 5 (a) Housing projects..... \$ 300,000
- 6 (b) Education and health projects..... 1,000,000
- 7 (c) Marine fisheries and agriculture
8 projects..... 300,000
- 9 (d) Any worthy public project..... 400,000

10 (6) The Governor of Yap State or his designee shall report
11 to the Congress of the Federated States of Micronesia on the status of
12 the Yap State Public Projects Fund at the close of each fiscal year.

13 Section 4. All funds appropriated by this act shall be
14 allotted, managed, administered, and accounted for in accordance with
15 applicable law, including, but not limited to, the Financial
16 Management Act of 1979. The allottee of the funds appropriated under
17 subsection (1) of section 2 of this act shall be the President of the
18 Federated States of Micronesia. The allottee of the funds
19 appropriated under subsection (2) of section 2 of this act shall be
20 the Governor of Yap State. The allottees shall be responsible for
21 ensuring that these funds, or so much thereof as may be necessary,
22 are used solely for the purposes specified in this act, and that no
23 obligations are incurred in excess of the sum appropriated. The
24 authority of the allottees to obligate funds appropriated by this act
25 shall not lapse.

1 Section 5. This act shall become law upon approval by the
2 President of the Federated States of Micronesia or upon its becoming
3 law without such approval.

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December 19, 1991

Bailey Olter
Bailey Olter
President
Federated States of Micronesia

