

AN ACT

To further amend sections 303 and 306 of title 55 of the Code of the Federated States of Micronesia, as enacted by Public Laws Nos. 13-72 and amended by Public Law No. 13-93 and 18-12, to clarify the division formula for Compact funds, and for other purposes.

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

1 Section 1. Section 303 of title 55 of the Code of the
2 Federated States of Micronesia, as enacted by Public Law No. 13-72
3 and amended by Public Laws Nos. 13-93 and 18-12, is hereby further
4 amended to read as follows:

5 "Section 303. Division of Compact Funds among National
6 and State Governments.

7 (1) The Compact Budget Requests for Fiscal Years 2005
8 and 2006 of the National Government and of each State
9 Government under section 305 of this chapter shall be
10 based upon a division of Compact funds in the following
11 proportions:

12	Chuuk	38.57%
13	Kosrae	11.06
14	Pohnpei	25.69
15	Yap	16.03
16	National Government	8.65

17 (2) For Fiscal Years 2007 to 2013, the chief
18 executives of the National Government and each of the
19 State Governments shall have the authority to enter,

1 from time to time, into one or more agreements setting
 2 forth the proportionate amounts of Compact funds that
 3 shall be the basis of each Government's Compact Budget
 4 Request under sections 305 and 306 of this chapter,
 5 provided that the National Government's proportionate
 6 amount of Compact funds for each Fiscal Year shall be
 7 ten percent (10%) of the estimated level of Compact
 8 funding for that year. An agreement regarding the
 9 division of Compact funds, other than the National
 10 Government's ten percent (10%) share, may be limited to
 11 a specified period of time and shall only be effective
 12 when signed by the chief executive of each and every
 13 Government.

14 (3) The Compact Budget Requests for Fiscal Years 2014
 15 and thereafter of the National Government and of each
 16 State Government under section 305 of this chapter shall
 17 be based upon a division of Compact funds in the
 18 following proportions, except for Supplemental Education
 19 Grants under Section 105 of the Amended Compact:

20	Chuuk	40.11%
21	Kosrae	11.50
22	Pohnpei	26.72
23	Yap	16.67
24	National Government	5.00

1 (4) For Fiscal Year 2015 and thereafter, the chief
2 executives of the National Government and each of the
3 State Governments shall have the authority to enter,
4 from time to time, into one or more agreements setting
5 forth the proportionate amounts of Compact funds that
6 shall be the basis of each Government's Compact Budget
7 Request under sections 305 and 306 of this chapter,
8 provided that the National Government's proportionate
9 amount of Compact funds for each Fiscal Year shall be
10 five percent (5%) of the estimated level of Compact
11 funding for that year, except for Supplemental Education
12 Grants under Section 105 of the Amended Compact. An
13 agreement regarding the division of Compact funds, other
14 than the National Government's five percent (5%) share,
15 may be limited to a specified period of time and shall
16 only be effective when signed by the chief executive of
17 each and every Government."

18 Section 2. Section 306 of Title 55 of the Code of the
19 Federated States of Micronesia, as enacted by Public Law No.
20 13-72 and amended by Public Law No. 13-93 and 18-12, is hereby
21 further amended to read as follows:

22 "Section 306. Plan For the Division of Annual Economic
23 Assistance.

24 (1) The President shall consolidate the Compact Budget
25 Requests of all of the States and the National

1 Government Compact Budget Request, conforming with the
2 requirements of section 103 of this title, into the Plan
3 for the Division of Annual Economic Assistance. The
4 National Government Compact Budget Request included in
5 the Plan for the Division of Annual Economic Assistance
6 shall constitute, for Fiscal Year 2007 and each fiscal
7 year thereafter, ten percent (10%) of the estimated
8 level of Compact funding for that year. For Fiscal Year
9 2014 and each fiscal year thereafter, the National
10 Government Compact Budget Request included in the Plan
11 for the Division of Annual Economic Assistance shall
12 constitute five percent (5%) of the estimated level of
13 Compact funding for that year, except for Supplemental
14 Education Grants under Section 105 of the Amended
15 Compact. No modification to a State's Compact Budget
16 Request shall be made in the consolidation process
17 without the prior consent of the relevant State
18 Government, except to the extent that such Compact
19 Budget Request exceeds the estimated levels of Compact
20 funding provided to that State Government pursuant to
21 section 304 of this chapter.

22 (2) No later than July 3 of the year preceding a given
23 Fiscal Year, the President shall submit the Plan for the
24 Division of Annual Economic Assistance to the Government
25 of the United States and shall transmit a copy to

1 Congress and to each State Government."

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

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8 January 02 _____, 2013

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12 /s/ Manny Mori _____
13 Manny Mori
14 President
15 Federated States of Micronesia

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