

EIGHTEENTH CONGRESS OF THE FEDERATED STATES OF MICRONESIA

SECOND REGULAR SESSION, 2013

CONGRESSIONAL BILL NO. 18-59, C.D.1,
C.D.2

PC NO. 18-118

PUBLIC LAW NO. 18-12

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 Law No. 13-72 and amended by Public Law No. 13-93, to modify 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. Purpose. The purpose of this act is to reduce
2 the National Government Share of Compact Funds from ten percent
3 (10%) to five percent (5%). The current Distribution Formula, in
4 effect for Fiscal Years 2007 to 2013, as agreed to in EPIC
5 Resolution #2005-3-01, is:

6	Chuuk	38.00%
7	Kosrae	10.90
8	Pohnpei	25.31
9	Yap	15.79
10	National Government	10.00

11 Section 2. Section 303 of Title 55 of the Code of the
12 Federated States of Micronesia, as enacted by Public Law No. 13-72
13 and amended by Public Law No. 13-93, is hereby further amended to
14 read as follows:

15 "Section 303. Division of Compact Funds among National
16 and State Governments.

17 (1) The Compact Budget Requests for Fiscal Years 2005
18 and 2006 of the National Government and of each State

1 Government under section 305 of this chapter shall be
2 based upon a division of Compact funds in the following
3 proportions:

4	Chuuk	38.57%
5	Kosrae	11.06
6	Pohnpei	25.69
7	Yap	16.03
8	National Government	8.65

9 (2) For Fiscal Years 2007 to 2013, the chief
10 executives of the National Government and each of the
11 State Governments shall have the authority to enter,
12 from time to time, into one or more agreements setting
13 forth the proportionate amounts of Compact funds that
14 shall be the basis of each Government's Compact Budget
15 Request under sections 305 and 306 of this chapter,
16 provided that the National Government's proportionate
17 amount of Compact funds for each Fiscal Year shall be
18 ten percent (10%) of the estimated level of Compact
19 funding for that year. An agreement regarding the
20 division of Compact funds, other than the National
21 Government's ten percent (10%) share, may be limited to
22 a specified period of time and shall only be effective
23 when signed by the chief executive of each and every
24 Government.

25 (3) The Compact Budget Requests for Fiscal Years 2014

1 and thereafter of the National Government and of each
2 State Government under section 305 of this chapter shall
3 be based upon a division of Compact funds in the
4 following proportions:

5	Chuuk	40.11%
6	Kosrae	11.50
7	Pohnpei	26.72
8	Yap	16.67
9	National Government	5.00

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

1 Section 2. Section 306 of Title 55 of the Code of the
2 Federated States of Micronesia, as enacted by Public Law No.
3 13-72 and amended by Public Law No. 13-93, is hereby further
4 amended to read as follows:

5 "Section 306. Plan For the Division of Annual Economic
6 Assistance.

7 (1) The President shall consolidate the Compact Budget
8 Requests of all of the States and the National
9 Government Compact Budget Request, conforming with the
10 requirements of section 103 of this title, into the Plan
11 for the Division of Annual Economic Assistance. The
12 National Government Compact Budget Request included in
13 the Plan for the Division of Annual Economic Assistance
14 shall constitute, for Fiscal Year 2007 and each fiscal
15 year thereafter, ten percent (10%) of the estimated
16 level of Compact funding for that year. For Fiscal Year
17 2014 and each fiscal year thereafter, the National
18 Government Compact Budget Request included in the Plan
19 for the Division of Annual Economic Assistance shall
20 constitute five percent (5%) of the estimated level of
21 Compact funding for that year. No modification to a
22 State's Compact Budget Request shall be made in the
23 consolidation process without the prior consent of the
24 relevant State Government, except to the extent that
25 such Compact Budget Request exceeds the estimated levels

1 of Compact funding provided to that State Government
2 pursuant to section 304 of this chapter.

3 (2) No later than July 3 of the year preceding a given
4 Fiscal Year, the President shall submit the Plan for the
5 Division of Annual Economic Assistance to the Government
6 of the United States and shall transmit a copy to
7 Congress and to each State Government."

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

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14 _____, 2013

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16 W/OUT SIGNATURE 9/27/13

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Manny Mori
President
Federated States of Micronesia

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