

AN ACT

To appropriate the sum of \$27,860,533 from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1997, for the operations of the executive branch, legislative branch, judicial branch, Public Auditor, agencies of the National Government, and for special programs, grants, subsidies, contributions, and refunds of the National Government during fiscal year 1997; to establish a budget for Compact sections 214(b), 215(a)(2), 216(a)(2), 216(a)(3), and 221(b) and to appropriate special funds available therefor under the Compact; to establish a development budget and to appropriate funds available therefor under the Compact; to establish employment ceilings; and for other purposes.

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

Section 1. Operating expenses of the executive branch. The sum of \$12,468,805, or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1997, for the operations of the executive branch of the National Government of the Federated States of Micronesia during fiscal year 1997. Of the total funds appropriated under this section, \$519,000 shall be deemed to come from the funds available under section 216(a)(1) of the Compact of Free Association. The sum appropriated by this section shall be apportioned as follows:

- (1) Office of the President
 - (a) Office of the President
 - (i) Personnel expenses.....\$ 215,300
 - (ii) Travel 49,200
 - (iii) Contractual services,
grants, subsidies, and contributions 72,000
 - (iv) Others 47,500
 - (b) Office of Public Information
 - (i) Personnel expenses..... 77,200
 - (ii) Travel 3,700
 - (iii) Contractual services,
grants, subsidies, and contributions 3,500
 - (iv) Others 27,500
 - (c) Disaster Control Office

(i) Personnel expenses.....	\$ 21,000
(ii) Travel	-0-
(iii) Contractual services, grants, subsidies, and contributions	-0-
(iv) Others	-0-
(2) Department of External Affairs	
(a) Administration	
(i) Personnel expenses.....	113,900
(ii) Travel	50,000
(iii) Contractual services, grants, subsidies, and contributions	11,000
(iv) Others	71,800
(b) Division of Asian, Pacific, African & Multilateral Affairs	
(i) Personnel expenses.....	127,000
(ii) Travel	-0-
(iii) Contractual services, grants, subsidies, and contributions	-0-
(iv) Others	-0-
(c) FSM Consulate - Guam	
(i) Personnel expenses.....	131,500
(ii) Travel	4,400
(iii) Contractual services, grants, subsidies, and contributions	107,320
(iv) Others	17,800
(d) FSM Consulate - Honolulu.....	\$ 200,000
(e) FSM Embassy - Washington, D.C.	
(i) Personnel expenses.....	183,300
(ii) Travel	30,000
(iii) Contractual services, grants, subsidies, and contributions	493,150
(iv) Others	59,000
(f) FSM Embassy - Suva, Fiji	
(i) Personnel expenses.....	123,300

	(ii) Travel	15,000
	(iii) Contractual services, grants, subsidies, and contributions	42,000
	(iv) Others	31,150

(g) Division of American and European

Affairs

	(i) Personnel expenses.....	86,100
	(ii) Travel	-0-
	(iii) Contractual services, grants, subsidies, and contributions	-0-
	(iv) Others	-0-

(h) FSM Embassy - Tokyo, Japan,..... 910,000,

or so much thereof as is necessary, for the purchase of ¥79,498,755 to be allocated as follows:

	(i) Personnel expenses..... ¥	35,941,500
	(ii) Travel	2,940,000
	(iii) Contractual services, grants, subsidies, and contributions	¥34,116,075
	(iv) Others	6,501,180

(i) United Nations Mission

	(i) Personnel expenses..... \$	182,300
	(ii) Travel	30,200
	(iii) Contractual services, grants, subsidies, and contributions	221,820
	(iv) Others	62,000

(3) Department of Finance

(a) Administration

	(i) Personnel expenses.....	129,000
	(ii) Travel	30,000
	(iii) Contractual services, grants, subsidies, and contributions	1,000
	(iv) Others	41,800

(b) Division of Automated Data Processing

	(i) Personnel expenses.....	58,700
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(ii) Travel	4,700
(iii) Contractual services, grants, subsidies, and contributions	38,000
(iv) Others	27,300
(c) Division of Investment Management	
(i) Personnel expenses.....	92,900
(ii) Travel	15,100
(iii) Contractual services, grants, subsidies, and contributions	\$ 500
(iv) Others	15,097
(d) Division of Accounting	
(i) Personnel expenses.....	297,400
(ii) Travel	6,900
(iii) Contractual services, grants, subsidies, and contributions	13,200
(iv) Others	20,500
(e) Division of Revenue	
(i) Personnel expenses.....	425,100
(ii) Travel	19,600
(iii) Contractual services, grants, subsidies, and contributions	29,940
(iv) Others	27,900
(f) Division of Customs	
(i) Personnel expenses.....	302,800
(ii) Travel	10,900
(iii) Contractual services, grants, subsidies, and contributions	32,400
(iv) Others	34,400
(g) Division of Property & Supply	
(i) Personnel expenses.....	50,900
(ii) Travel	5,500
(iii) Contractual services,	

grants, subsidies, and contributions	\$	400
(iv) Others		9,000
(4) Department of Resources and Development		
(a) Administration		
(i) Personnel expenses.....		124,310
(ii) Travel		30,300
(iii) Contractual services,		
grants, subsidies, and contributions		2,000
(iv) Others		19,500
(b) Division of Commerce and Industry		
(i) Personnel expenses.....		65,090
(ii) Travel		28,700
(iii) Contractual services,		
grants, subsidies, and contributions		27,500
(iv) Others		8,800
(c) Division of Agriculture		
(i) Personnel expenses.....		57,900
(ii) Travel		12,400
(iii) Contractual services,		
grants, subsidies, and contributions		2,000
(iv) Others		5,000
(d) Division of Marine Resources		
(i) Personnel expenses.....		63,500
(ii) Travel		9,800
(iii) Contractual services,		
grants, subsidies, and contributions	\$	-0-
(iv) Others		5,000
(e) Division of Labor		
(i) Personnel expenses.....		73,800
(ii) Travel		21,500
(iii) Contractual services,		
grants, subsidies, and contributions		1,000
(iv) Others		8,500
(5) Department of Transportation		

	(a) Administration	
	(i) Personnel expenses.....	71,100
	(ii) Travel.....	15,000
	(iii) Contractual services, grants, subsidies, and contributions	2,500
	(iv) Others	15,500
	(b) Marine Transportation Division	
	(i) Personnel expenses.....	99,602
	(ii) Travel	16,600
	(iii) Contractual services, grants, subsidies, and contributions	386,192
	(iv) Others	3,400
	(c) Civil Aviation Division	
	(i) Personnel expenses.....	55,900
	(ii) Travel	20,000
	(iii) Contractual services, grants, subsidies, and contributions	\$ -0-
	(iv) Others	8,500
	(d) Communication Division	
	(i) Personnel expenses.....	39,400
	(ii) Travel	20,000
	(iii) Contractual services, grants, subsidies, and contributions	5,000
	(iv) Others	6,000
	(6) Department of Health Services	
	(a) Administration	
	(i) Personnel expenses.....	120,300
	(ii) Travel	18,200
	(iii) Contractual services, grants, subsidies, and contributions	10,000
	(iv) Others	15,000
	(b) Environmental & Community Services	
Division	(i) Personnel expenses.....	215,314

(ii) Travel	-0-
(iii) Contractual services, grants, subsidies, and contributions	-0-
(iv) Others	28,700
(c) Preventive Health Services Division	
(i) Personnel expenses.....	89,500
(ii) Travel	-0-
(iii) Contractual services, grants, subsidies, and contributions	\$ -0-
(iv) Others	-0-
(d) Medical Care Services Division	
(i) Personnel expenses.....	29,200
(ii) Travel	0-
(iii) Contractual services, grants, subsidies, and contributions	-0-
(iv) Others	-0-
(7) Department of Education	
(a) Personnel expenses	158,200
(b) Travel	10,500
(c) Contractual services, grants, subsidies, and contributions	1,000
(d) Others	4,000
(8) Office of the Attorney General	
(a) Administration	
(i) Personnel expenses.....	71,200
(ii) Travel	10,000
(iii) Contractual services, grants, subsidies, and contributions	3,800
(iv) Others	21,500
(b) Division of Litigation	
(i) Personnel expenses.....	112,000
(ii) Travel	17,100

(iii) Contractual services,		
grants, subsidies, and contributions	\$	3,800
(iv) Others		2,400
(c) Division of Law		
(i) Personnel expenses.....		156,200
(ii) Travel		24,500
(iii) Contractual services,		
grants, subsidies, and contributions		-0-
(iv) Others		2,250
(d) Division of International Law		
(i) Personnel expenses.....		-0-
(ii) Travel		-0-
(iii) Contractual services,		
grants, subsidies, and contributions		-0-
(iv) Others		-0-
(e) Division of Immigration		
(i) Personnel expenses.....		356,900
(ii) Travel		6,700
(iii) Contractual services,		
grants, subsidies, and contributions		16,000
(iv) Others		18,950
(f) FSM National Police - (\$519,000 of the funds appropriated for this Division shall be deemed to come from funds available under section 216(a)(1) of the Compact of Free Association)		
(i) Personnel expenses.....		971,100
(ii) Travel	\$	16,500
(iii) Contractual services,		
grants, subsidies, and contributions		80,000
(iv) Others		331,406
(9) Office of the Public Defender		
(a) Personnel expenses		454,100
(b) Travel		35,700
(c) Contractual services,		
grants, subsidies, and contributions		28,600

	(d) Others	55,000
(10)	Office of the Budget	
	(a) Administration	
	(i) Personnel expenses.....	56,400
	(ii) Travel	10,000
	(iii) Contractual services, grants, subsidies, and contributions	1,000
	(iv) Others	26,400
	(b) Division of Budget Administration and Preparation	
	(i) Personnel expenses.....	68,500
	(ii) Travel	5,800
	(iii) Contractual services, grants, subsidies, and contributions	-0-
	(iv) Others	-0-
	(c) Division of Administrative Management	
	(i) Personnel expenses.....	\$ 35,600
	(ii) Travel	3,000
	(iii) Contractual services, grants, subsidies, and contributions	-0-
	(iv) Others	-0-
	(d) Division of Grants Management	
	(i) Personnel expenses.....	42,700
	(ii) Travel	4,000
	(iii) Contractual services, grants, subsidies, and contributions	-0-
	(iv) Others	-0-
(11)	Office of Planning and Statistics	
	(a) Administration	
	(i) Personnel expenses.....	50,600
	(ii) Travel	8,400
	(iii) Contractual services, grants, subsidies, and contributions	7,000
	(iv) Others	63,924

(b)	Division of Planning	
(i)	Personnel expenses.....	54,800
(ii)	Travel	2,500
(iii)	Contractual services, grants, subsidies, and contributions	-0-
(iv)	Others	-0-
(c)	Division of Statistics	
(i)	Personnel expenses.....	\$ 155,300
(ii)	Travel	3,400
(iii)	Contractual services, grants, subsidies, and contributions	-0-
(iv)	Others	-0-
(d)	Division of Construction Review	
(i)	Personnel expenses.....	169,410
(ii)	Travel	15,400
(iii)	Contractual services, grants, subsidies, and contributions	-0-
(iv)	Others	2,000
(e)	Division of Maintenance	
(i)	Personnel expenses.....	183,480
(ii)	Travel	-0-
(iii)	Contractual services, grants, subsidies, and contributions	20,000
(iv)	Others	-0-
(12)	Office of Administrative Services	
(a)	Administration	
(i)	Personnel expenses.....	59,800
(ii)	Travel	13,700
(iii)	Recruitment and repatriation.....	126,000
(iv)	Contractual services, grants, subsidies, and contributions	500
(v)	Others	11,500

	(vi) Staff housing	\$ 655,300
(b)	Division of Training	
	(i) Personnel expenses.....	59,400
	(ii) Travel	2,500
	(iii) Contractual services, grants, subsidies, and contributions	300
	(iv) Others	2,000
(c)	Division of Archives & Historic Preservation	
	(i) Personnel expenses.....	60,300
	(ii) Travel	-0-
	(iii) Contractual services, grants, subsidies, and contributions	17,100
	(iv) Others	2,000
(d)	Division of Personnel	
	(i) Personnel expenses.....	68,600
	(ii) Travel	2,900
	(iii) Contractual services, grants, subsidies, and contributions	5,000
	(iv) Others	8,000

Section 2. Operating expenses of the legislative branch. The sum of \$2,850,400, or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1997, for the operations of the legislative branch of the National Government of the Federated States of Micronesia during fiscal year 1997. The sum appropriated by this section shall be apportioned as follows:

(1) Office of the Speaker and Members		
	(a) Personnel expenses	\$ 400,100
	(b) Travel	461,900
	(c) Contractual services, grants, subsidies, and contributions	311,800
	(d) Others	-0-
(2) Staff Offices		
	(a) Personnel expenses	854,400

(b)	Travel	116,000
(c)	Recruitment and repatriation.....	30,000
(d)	Contractual services, grants, subsidies, and contributions	88,500
(e)	Others	128,300
(3)	Kosrae Delegation Office.....	49,600
(4)	Pohnpei Delegation Office	96,000
(5)	Chuuk Delegation Office.....	176,800
(6)	Yap Delegation Office.....	72,000
(7)	Special Session in Chuuk.....	65,000

Section 3. Operating expenses of the National judiciary. The sum of \$966,605, or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1997, for the operations of the National judiciary of the Federated States of Micronesia during fiscal year 1997. The sum appropriated by this section shall be apportioned as follows:

(1)	Personnel expenses	\$ 575,200
(2)	Travel	105,400
(3)	National Law Day.....	28,000
(4)	Contractual services, grants, subsidies, and contributions	132,000
(5)	Others.....	126,005

Section 4. Operating expenses of the Public Auditor. The sum of \$443,800, or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1997, for the operations of the Public Auditor's Office during fiscal year 1997. The sum appropriated by this section shall be apportioned as follows:

(1)	Personnel expenses	\$ 318,700
(2)	Travel.....	65,000
(3)	Recruitment and repatriation	15,000
(4)	Contractual services, grants, subsidies, and contributions	11,000
(5)	Others	34,100

Section 5. Operating expenses of agencies of the National Government. The sum of \$ 1,626,330, or so much thereof as may be necessary, is hereby appropriated from the General

Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1997, for the operations of independent agencies, commissions, authorities, boards, bureaus, and other organizations of the National Government of the Federated States of Micronesia during fiscal year 1997. The sum appropriated by this section shall be apportioned as follows:

(1)	Micronesian Maritime Authority	
(a)	Personnel expenses	\$ 184,710
(b)	Travel	95,000
(c)	Contractual services, grants, subsidies, and contributions	56,700
(d)	Others	34,200
(2)	Board of Regents - College of Micronesia-FSM	
(a)	Personnel expenses	-0-
(b)	Travel	41,200
(c)	Contractual services, grants, subsidies, and contributions	10,000
(d)	Fund raising	7,500
(e)	Others	16,040
(3)	Federated States of Micronesia Coconut Development Authority	
(a)	Personnel expenses	69,350
(b)	Travel	25,800
(c)	Contractual services, grants, subsidies, and contributions	36,000
(d)	Others	10,000
(4)	National Postal Service	
(a)	Personnel expenses	494,420
(b)	Travel	25,900
(c)	Contractual services, grants, subsidies, and contributions	69,300
(d)	Others	\$ 60,000
(5)	FSM Banking Board	
(a)	Personnel expenses	49,600
(b)	Travel	14,700

(c)	Contractual services,	
	grants, subsidies, and contributions	13,400
	(d) Others	11,010
(6)	National Fisheries Corporation	301,500

Section 6. Energy budget. The sum of \$200,100, or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1997, for the operation of the generator at the National Capitol and to pay utility bills for National Government offices. The funds appropriated under this section shall be deemed to come from the funds available under section 214(b) of the Compact of Free Association.

Section 7. Operating expenses of the Telecommunications Corporation and other telecommunications upgrade. The sum of \$882,000, or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1997, for the operations of the Telecommunications Corporation of the Federated States of Micronesia and other telecommunications upgrade during fiscal year 1997. The funds appropriated under this section shall be deemed to come from the funds available under section 215(a)(2) of the Compact of Free Association and shall be apportioned as follows:

(1)	Earth stations in the four States.....	\$ 582,000
(2)	Repair, replacement, backup by duplication, and upgrading of radio telecommunications equipment in the outer islands; PROVIDED, that no part of such funds shall be used for purchase, rental or other use of vehicles, fuel, training of personnel, or travel:	
	(a) Chuuk	\$ 40,000
	(b) Pohnpei.....	30,000
	(c) Yap	30,000

(3) Repair, replacement and upgrading of State radio station broadcasting equipment; PROVIDED, that no part of such funds shall be used for purchase, rental, or other use of vehicles, fuel, training of personnel, or travel:

(a)	Chuuk	\$ 50,000
(b)	Kosrae	50,000
(c)	Pohnpei.....	50,000

(d) Yap 50,000

Section 8. Compact section 216(a)(2) programs. The sum of \$204,000, or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1997, for Compact section 216(a)(2) programs and projects of the National Government of the Federated States of Micronesia during fiscal year 1997. The funds appropriated under this section shall be deemed to come from the funds available under section 216(a)(2) of the Compact of Free Association. The sum appropriated by this section shall be apportioned as follows:

- (1) Teams of health specialists visiting
the Federated States of Micronesia \$ 70,000
- (2) Enhancement of local capability to provide
essential quality care in all FSM hospitals \$ 68,000
- (3) Faichuk Community Health Center 66,000

Section 9. College of Micronesia-FSM. The sum of \$2,222,000, or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1997, to the College of Micronesia-FSM to defray costs associated with the instruction of students and the operations and maintenance of the College. Of the total funds appropriated under this section, \$800,000 shall be deemed to come from funds available under section 216(a)(3) of the Compact of Free Association.

Section 10. Post-secondary educational assistance. The sum of \$1,139,700, or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1997, for the purpose of providing post-secondary educational assistance. Of the funds appropriated under this section, \$1,089,700 shall be deemed to come from funds available under section 216(a)(3) of the Compact of Free Association. The sum appropriated by this section shall be apportioned as follows:

- (1) Kosrae State\$ 128,661
- (2) Pohnpei State 288,003
- (3) Chuuk State 411,716
- (4) Yap State 161,320
- (5) Graduate student scholarships 100,000
- (6) State and National scholarship coordinators
foreign travel 40,000
- (7) National coordinator FSM travel 10,000

Section 11. Other National Government programs, grants, subsidies, contributions, and refunds. The sum of \$3,099,085, or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1997, for special programs, grants, subsidies, contributions, and refunds of the National Government of the Federated States of Micronesia during fiscal year 1997. The sum appropriated by this section shall be apportioned as follows:

(1) Special programs:	
(a) Trade Training and Testing Program	\$ 279,470
(b) FSM Aquaculture Center	101,100
(c) Office of Youth and Sports	43,200
(2) Subsidies and contributions:	
(a) Forum Secretariat	35,000
(b) Pacific Island Development Program	15,000
(c) South Pacific Commission (SPC)	30,000
(d) South Pacific Regional Environmental Program (SPREP)	7,000
(e) United Nations Economic and Social Commission for Asia and the Pacific (ESCAP)	5,000
(f) Forum Fisheries Agency (FFA)	21,000
(g) United Nations Development Program (UNDP)	3,000
(h) United Nations Fund for Population Activity (UNFPA)	3,000
(i) United Nations Membership Fee for the FSM (UN)	\$ 180,000
(j) East West Center	-0-
(k) Pacific Asian Travel Association	5,000
(l) Coordinating Committee for Offshore Minerals Prospecting	8,000
(m) Micronesian Legal Services Corporation (MLSC)	150,000
(n) International Civil Aviation Organization (ICAO)	28,005
(o) State Joint Law Enforcement	

(i) Kosrae.....	70,000
(ii) Pohnpei.....	140,000
(iii) Chuuk	
a)Department of Public Safety	60,000
b) Attorney General.....	50,000
c) Municipal police training.....	50,000
(iv) Yap.....	90,000
(p) Aid to Non-public Schools.....	400,000
(q) BYRD Scholarship Program.....	15,000
(r) Financial Assistance for Students Studying at CMI and PCC.....	50,000
(s) State judiciaries	
(i) Kosrae.....	60,000
(ii) Pohnpei.....	85,000
(iii) Chuuk	
a) Probation Officer's vehicle.....	\$ 15,000
b) Municipal judge training.....	35,000
c) State court judge training.....	20,000
d) General State court.....	20,000
(iv) Yap.....	65,000
(t) Continental Airlines Scholarship.....	35,000
(u) Copra Subsidy.....	200,000
(v) World Health Organization (WHO)	
(i) Membership fees, 1997.....	40,500
(ii) Membership fees, 1994.....	7,000
(w) COM Treaty Obligation.....	25,000
(x) Micronesian Maritime Fisheries Academy (MMFA).....	150,000
(y) Asia Pacific Telecommunity (APT).....	7,210
(z) Plant Protection Program.....	60,000
(aa) National Board of Nursing.....	-0-
(bb) International Telecommunication Union (ITU).....	66,400
(cc) World Meteorological	

Association		7,000
(dd) Asian Pacific Coconut Community		10,200
(ee) Rural Development (formerly RECD)		
(i) Chuuk.....		98,000
(ii) Kosrae		35,000
(iii) Pohnpei		154,000
(iv) Yap.....	\$	35,000
(ff) Micronesian Seminar building construction		30,000

Section 12. Compact section 221(b) programs. The sum of \$516,260, or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1997, for Compact section 221(b) programs and projects of the National Government of the Federated States of Micronesia during fiscal year 1997. The funds appropriated under this section shall be deemed to come from funds available under section 221(b) of the Compact of Free Association. The sum appropriated by this section shall be apportioned as follows:

(1) Health Services programs:		
(a) Professional support services	\$	12,800
(b) Health planning & work force		
development		13,800
(c) Health and Vital statistics.....		12,000
(d) Tuberculosis prevention and control		16,000
(e) Leprosy prevention and control.....		8,000
(f) Leptospirosis control program.....		19,000
(g) Chronic disease prevention		
and control		9,000
(h) Family planning program		20,350
(i) Health education		8,000
(j) Immunization program		10,000
(k) Sexually transmitted disease		13,000
(l) Maternal and child health (MCH)		
services program	\$	10,000
(m) Mental health services		14,000
(n) Substance abuse prevention and		
treatment.....		14,300

(o)	AIDS prevention and control	14,100
(p)	Child abuse and neglect program	11,060
(q)	Tobacco prevention and control.....	9,400
(r)	FSM food protection, inspection and certification.....	33,400
(s)	Nutrition services program	30,000
(t)	National women's interest program	17,300
(2) Education programs:		
(a)	FSM National standardized testing program.....	48,543
(b)	National Close-Up civic education program	73,466
(c)	Development of Vocational Education Curriculum Framework that ties in Economic Summit	50,141
(d)	College Admission Test Counseling (CAT-C) Program.....	18,600
(e)	Cultural Education.....	30,000
(f)	Special Education	-0-

Section 13. Development budget - Appropriation. The sum of \$ 1,241,447, or so much thereof as may be necessary, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1997, for capital improvement and development programs and projects of the National Government of the Federated States of Micronesia during fiscal year 1997. The funds appropriated under this section shall be deemed to come from the capital account of the Compact of Free Association. The sum appropriated by this section shall be apportioned as follows:

(1)	National staff upgrading program	
(a)	National Judiciary staff training	\$ 20,000
(b)	Congress staff training	10,000
(c)	Public Auditor staff training	10,000
(d)	Undedicated staff training	90,000
(2)	Business development loan fund.....	-0-
(3)	Nationwide Board on environmental and sustainable development	20,000
(4)	Labor Consultant	45,000

(5)	ADB Institutional Strengthening (TA).....	92,000
(6)	Host FSM-Promotion	30,000
(7)	Radio Frequency Reprogramming.....	50,000
(8)	Copra industry development	
	(a) Ponape Coconut Products, Inc., plant expansion production and marketing	150,000
	(b) Truk Copra Products, Inc., plant expansion production and marketing	150,000
	(c) Yap State, copra tree planting	75,000
	(d) Kosrae State, encouragement of coconut related industries.....	50,000
(9)	Completion of the FSM-Kosrae State Judiciary Courthouse project.....	\$ 332,727
(10)	FSM Supreme Court capital improvement projects	86,720
(11)	Pohnpei State Supreme Court building expansion.....	30,000

Section 14. Employment ceilings. Subsection (1) sets forth the maximum number of positions that may be hired by branches and agencies of the National Government.

(1) Positions funded for fiscal year 1997.

Executive Branch

Office of the President	19
External Affairs.....	47
Finance	97
Resources and Development.....	25
Transportation.....	15
Health Services.....	27
Education	14
Attorney General.....	121
Public Defender	26
Budget Office	11
Office of Planning and Statistics	36
Administrative Services.....	15

Legislative Branch

Congress.....	67
Judicial Branch	
National Judiciary.....	28
Public Auditor.....	16
Agencies	
Micronesia Maritime Authority.....	11
Board of Regents of the College of Micronesia.....	0
Federated States of Micronesia	
Coconut Development Authority	4
National Postal Service.....	32
FSM Banking Board.....	3

(2) The number of positions authorized applies individually to each of the departments and offices of the executive and legislative branches, the National judiciary, the Public Auditor, and to the agencies as provided in subsection (1) of this section, except that the President may transfer up to 12 positions between the departments and offices of the executive branch. This authorization of positions covers all permanent employees and all contract personnel whose employment extends for more than 90 days. No funds may be expended for unbudgeted positions.

Section 15. Reprogramming.

(1) The President may reprogram up to 10 percent to and from the funds appropriated to each department and office in section 1. The President or his designee may reprogram up to 15 percent to and from the funds appropriated to any division, and may reprogram up to 15 percent to and from each line within the budget of a division, within a department or office or its functional equivalent.

(2) The Speaker or his designee may reprogram up to 10 percent to and from the funds appropriated to each of the subsections in section 2, and may reprogram up to 15 percent to and from the funds appropriated in each of the lines within the subsections of section 2.

(3) The Chief Justice or his designee may reprogram up to 15 percent to and from the funds appropriated in each of the lines in section 3.

(4) The Public Auditor may reprogram up to 15 percent to and from the funds appropriated in each of the lines in section 4.

(5) Allottees of funds may reprogram up to 15 percent to and from the funds appropriated in each of the lines within the subsections of section 5.

(6) Notwithstanding the provisions of subsections (1) through (5) of this section, no funds may be reprogrammed to or from any personnel account (except as necessary in conjunction with a position transfer permitted under section 14(2) of this act) or subparagraph (a)(iii) of subsection (12) of section 1 of this act.

Section 16. Allotment and management of funds and lapse date. All funds appropriated by this act shall be allotted, managed, administered, and accounted for in accordance with applicable law, including, but not limited to, the Financial Management Act of 1979; PROVIDED, however, that the funds appropriated to Chuuk State under subsection (3) of section 10 of this act shall be retained in the General Fund of the Federated States of Micronesia until a scholarship recipient is identified to the President or the President's designee, at which time scholarship funds in the amount of the scholarship award shall be disbursed directly to the educational institution in the form of a two-party check payable to both the scholarship recipient and the educational institution he or she is attending; and PROVIDED FURTHER, that the allottees for the funds appropriated under subsection (2)(o) of section 11 of this act shall be the Governors of the respective States, and no funds appropriated under subsection (2)(o) of section 11 of this act shall be disbursed from the General Fund to the allottees unless the President certifies that the State involved has entered into a joint law enforcement agreement for the period of October 1, 1996, to September 30, 1997, with the National Government pursuant to chapter 12 of the title 12 of the Code of the Federated States of Micronesia; and PROVIDED FURTHER, that the allottees for the funds appropriated under subsection (2)(s) of section 11 of this act shall be the Chief Justices of the respective States; and PROVIDED FURTHER, that the allottee of funds under section 7 of this act shall be Secretary of the Department of Transportation and Communication or his designee, but the Secretary shall designate an allottee of funds apportioned for radio telecommunications in a State only after consultation with the State's delegation to Congress. Each allottee shall be responsible for ensuring that these funds, or so much thereof as may be necessary, are used solely for the purposes specified in this act, and that no obligations are incurred in excess of the sum appropriated. The authority of the allottees to obligate funds appropriated by this act shall lapse as of September 30, 1998; PROVIDED, however, that the authority of the allottees to obligate funds appropriated by sections 7, 9, 10, 11(2)(w), and 13 shall not lapse.

Section 17. Effective date. This act shall become law upon approval by the President of the Federated States of Micronesia or upon its becoming law without such approval.

December 12, 1996

for /s/ Jacob Nena
Bailey Olter
President
Federated States of Micronesia