



GOVERNMENT OF KOSRAE

Office of the Governor

Post Office Box 158

Kosrae, Federated States of Micronesia 96944

Telephone: 691-370-3002/3003..Facsimile: 691-370-3162

March 20, 2013

The Honorable Gibson T. Siba
Speaker
Tenth Kosrae State Legislature
Tofol, Kosrae FM 96944

Dear Mr. Speaker,

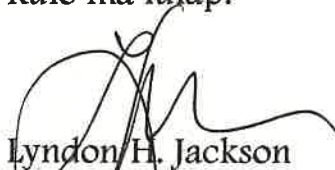
Kulo nu sin God ke moulu mwo a akwuk mwowo kut pulakin. Nga päing kom a members nukewa wiyom ke Sroasr Masap.

Nga ke akkalemeye la nga insese a sain L.B. No. 10-132, nu ke masap, su a orala Kosrae State Law No. 10-66.

“To amend Title 10 of the Kosrae State Code, by amending Section 10.205(g) thereof, for purpose to allow the Health Care fund to be used to pay salaries and benefits of employees when the payments will be reimbursed by the Federated States of Micronesia National Government; and for other purposes.”

Copy se ke masap se inge pa nga supaot wi letter luk nu sum.

Kulo ma lulap.


Lyndon H. Jackson
Governor
State of Kosrae

/jpa





TENTH KOSRAE STATE LEGISLATURE

P. O. Box 187

Tofol, Kosrae State

Federated States of Micronesia 96944

Telephone: (691) 370-3019/3177 * Fax: 370-2177

Web Page: www.kosraelegislature.org

Gibson T. Siba
SPEAKER

Palikun M. Shrew
VICE SPEAKER

Robert I. Taulung
FLOOR LEADER

LELU:
Bob H. Skilling
Chang B. William
Gibson T. Siba-
Tulensa W. Palik

TAFUNSAK:
Alokoa Joab Sigrah
Espil Tulensru
Maker L. Palsis
Robert I. Taulung

MALEM:
Jarinson M. Charley
Jefferson M. Timothy
Palikun M. Shrew

UTWE:
Josiah F. Waguk
Rinson H. Edmond

March 9, 2013

The Honorable Lyndon H. Jackson
Governor
State of Kosrae
Kosrae, FM 96944

Dear Governor Jackson:

I have the honor to transmit herewith for your consideration and action **L. B. NO. 10-132, TO AMEND TITLE 10 OF THE KOSRAE STATE CODE, BY AMENDING SECTION 10.205(G) THEREOF, FOR PURPOSE TO ALLOW THE HEALTH CARE FUND TO BE USED TO PAY SALARIES AND BENEFITS OF EMPLOYEES WHEN THE PAYMENTS WILL BE REIMBURSED BY THE FEDERATED STATES OF MICRONESIA NATIONAL GOVERNMENT; AND FOR OTHER PURPOSES.**, which passed the Legislature, Fifth Regular Session, by two-thirds of the members of the Legislature, a quorum being present.

Respectfully yours,

Tosie K. Elley
Chief Clerk
Tenth Kosrae State Legislature

Enclosures

TENTH KOSRAE STATE LEGISLATURE
FIFTH REGULAR SESSION
FEBRUARY 11, 2013 – MARCH 16, 2013

A BILL FOR AN ACT

TO AMEND TITLE 10 OF THE KOSRAE STATE CODE, BY AMENDING SECTION 10.205(G) THEREOF, FOR PURPOSE TO ALLOW THE HEALTH CARE FUND TO BE USED TO PAY SALARIES AND BENEFITS OF EMPLOYEES WHEN THE PAYMENTS WILL BE REIMBURSED BY THE FEDERATED STATES OF MICRONESIA NATIONAL GOVERNMENT; AND FOR OTHER PURPOSES.

INTRODUCED Floor Leader

Robert I. Taulung (By Request)

DATE: March 11, 2013

ACTION BY THE LEGISLATURE

PASSED FIRST READING: March 12, 2013

REFERRING TO:

PASSED SECOND READING: March 15, 2013



Tosie K. Elley
Chief Clerk

KOSRAE STATE LEGISLATURE



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LEGISLATIVE BILL NO. 10-132

We hereby certify that the foregoing Bill has passed Second and Final Readings in the Legislature, Fifth Regular Session, 2013, by two-thirds of the members of the Tenth Kosrae State Legislature, a quorum being present.



Gibson T. Siba
Speaker
Tenth Kosrae State Legislature



Tosie K. Elley
Chief Clerk
Tenth Kosrae State Legislature

A BILL FOR AN ACT

To amend Title 10 of the Kosrae State Code, by amending Section 10.205(g) thereof, for purpose to allow the Health Care Fund to be used to pay salaries and benefits of employees when the payments will be reimbursed by the Federated States of Micronesia National Government; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE

1 Section 10.205 Amendment. Section 10.205 of Title 10 of the Kosrae State Code is hereby
2 amended to read as follows:

3 "Section 10.205. The Revenue Fund.

4 1) The Revenue Fund contains all monies received by the Government
5 pursuant to a law imposing a tax, duty or tariff, and all other revenues and reimbursements from
6 a fine, fee, license, interest, rent, or Government service, and other Government collection or
7 collections by a government for the Government's benefit except as otherwise required by law. A
8 person who receives monies pursuant to this section transmits the monies within seven days of
9 receipt to the Division of Finance and Budget for deposit in the Revenue Fund except that:

10 a) the Department of Resources and Economic Affairs shall maintain a
11 revolving fund known as the Production Development Fund.

12 (i) The Fund shall be used:

13 (1) to make low interest loans to individuals to assist
14 with the production of goods for export or sale or consumption in Kosrae; or

15 (2) to make bulk purchase of agriculture supplies for re-
16 sale to farmers at a price no greater than 10% of the net purchase price; or

1 (3) to purchase fishing supplies for re-sale in Kosrae; or
2 (4) to assist with the marketing of Kosraean agriculture
3 produce.

4 (ii) The Fund shall receive monies from these sources:

5 (1) the sale of supplies and equipment for gardening,
6 livestock and poultry production, and from the marketing of all agriculture produce; and

7 (2) the sale of agriculture supplies; and

8 (3) the sale of fishing supplies; and

9 (4) the re-payment of principal or interest of loans.

10 (iii) The Production Development Fund shall be administered by
11 Director of the Department of Resources and Economic Affairs but all funds shall be received,
12 held, disbursed and accounted for by the Director of the Department of Administration and
13 Finance or his designee.

14 (1) The Director of the Department of Administration
15 and Finance shall prepare a monthly report detailing all loans made and listing any other
16 transaction;

17 (2) A copy of this report shall be transmitted to the
18 Director of Resources and Economic Affairs and to the Speaker of the Kosrae State Legislature
19 within 5 business days of the end of each month.

20 (b) the Sports Council may retain funds collected pursuant to Section

1 7.902(3), funds obtained through contributions and donations, and any interest thereon for
2 funding operations, acquisition of equipment and the purchase of prizes;

3 (c) The Division of Finance and Budget retains in an Airport Trust Fund
4 all monies from taxes, duties, tariffs, fees, licenses, rents and other charges arising out of the
5 operations of the Kosrae Airport, including all airport buildings and facilities, which monies are
6 spent at the discretion of the Department of Transportation and Infrastructure for operations,
7 construction and renovation of facilities at the Kosrae Airport.

8 (d) The Division of Finance and Budget retains in a Recycling Fund all
9 monies collected pursuant to Title 9, Chapter 22, and follows the Recycling Program Regulations
10 for the disbursement of Recycling Fund monies for the refund of Recycling Deposit fees and the
11 maintenance of a recycling program;

12 (e) The Kosrae's Visitors' Bureau may retain monies received from the
13 sale of books, postcards, handicrafts, and other tourist material for the purpose of acquiring
14 additional inventory of such classes of items; and

15 (f) The Division of Finance and Budget retains in a Publication Fund
16 the proceeds received from the sale of copies of the Kosrae State Code and the Selected Laws of
17 the State of Kosrae, which proceeds are available for use by the Code Revision and Publication
18 Commission to defray the costs of preparation and publication of the Selected Laws of the State
19 of Kosrae;

20 (g) The Division of Finance and Budget retains in a Health Care Fund

1 all monies collected from or on behalf of patients or clients or the Kosrae Department of the
2 Health Services, including, but not limited to, reimbursements from any program of medical
3 insurance and payments received by the State in connection with off-island referrals. Monies in
4 the Health Care Fund are continually appropriated for expenditures by the Department of Health
5 Services solely for the purchase of medical supplies, inclusive of pharmaceutical supplies, for
6 use by the Department of Health Services, its clinics, dispensaries, programs, patients and for
7 advancing payment of employees' salaries and benefits, when those salaries and benefits have
8 been authorized for reimbursement by the Federated States of Micronesia National Government;
9 provided, however, that the funds received as reimbursement shall also be deposited in the
10 Health Care Fund.

11 (h) The Division of Finance and Budget retains in a State Scholarship
12 Grant and Loan Fund, all monies received from Kosrae State Government appropriations for
13 scholarship purposes and from loan collection from student loans. Monies in the Scholarship
14 Fund must be made available solely for Kosrae State Scholarship Board and continually be paid
15 out to qualified recipients.

16 (i) The Division of Finance and Budget retains in a Broadcast Authority
17 Fund all monies from payments received from advertisements and other broadcasting programs
18 requiring payments to the State Broadcast Authority. Monies in the Broadcast Authority Fund
19 are available solely for the purpose of funding operations of the State Broadcast Authority;

20 (j) The Department of Education retains in a Yearbook Revolving Fund

1 all monies contributed, received and collected from yearbook sales by depositing that revenue
2 into the fund using it strictly for the Kosrae high School yearbook; and

3 (k) The Department of Resources and Economic Affairs may retain
4 monies collected or received under its housing loan program in the Kosrae Home Improvement
5 Program Revolving Fund, and promulgates regulations and guidelines for the disbursement of
6 said monies;

7 (l) The Division of Finance and Budget retains in a Department of
8 Transportation and Infrastructure Fund all monies collected from contract and grant projects, for
9 the purpose of purchasing fuel and materials necessary to mobilize and accomplish contracted
10 work including, but not limited to, reimbursement received by the State in connection with
11 contract and grant projects. Any monies received that is in excess of the cost of fuel and
12 materials shall, at the conclusion of the specific contract, be transmitted to the General Revenue
13 Fund. This account may also receive funds from the sale or auction of equipment. Any such
14 funds may be used solely for the repair and replacement of Department equipment; and

15 Each department, office, and agency retaining monies pursuant to subsections (a) through
16 (k) provides a written monthly report to the Governor and the Speaker on the status of the
17 monies, including amounts received and expended; upon determining that a department, office,
18 or agency has money in excess of the amount necessary for the purpose for which it is allowed to
19 retain the funds, the Governor directs that said excess be turned over to the State Treasury.

20 (m) The Court may retain monies received as payment for published

1 decisions, opinions, rules, or probation fees or other documents issued by the Court.

2 (i) Monies received as probation fees may only be used to fund
3 client services and programs that are under the supervision of the Probation Officer

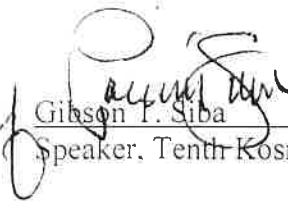
4 Reversion of funds to the Production Development Fund. All funds currently held, either
5 on deposit or in cash, in the Kosrae Farmer's Exchange Fund; the Production Development
6 Fund; the Fisheries Revolving Fund; or the Marketing Support Fund; shall be paid into the
7 Production Development Fund.

8 (1) Any receivables currently owed to the above referenced funds shall be
9 receivables of the State of Kosrae and shall be paid to the Production Development Fund as they
10 are received.

11 Section 2. Effective Date. This act shall become law upon approval by Governor or
12 upon its becoming law without such approval.

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14 PASSED BY THE TENTH KOSRAE STATE LEGISLATURE ON THE 15TH DAY OF
15 MARCH, 2013.

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Gibson P. Siba
Speaker, Tenth Kosrae State Legislature

Attested by: 
Chief Clerk


Lyndon H. Jackson
Governor, State of Kosrae

Date: 3/20/13