April 26, 2017

The Honorable Tulensa W. Palik
Speaker
Eleventh Kosrae State Legislature
Tofol, Kosrae FM 96944

Dear Mr. Speaker:

Kulo nu sin God ke moul lasr. Paing kom a Honorable Members ke Sroasr Masap kewa.

Wangin pa pusra yok lasr nuka sripa lun L.B. 11-117. Oinge nga fulela bill se inge sun len ak 30 la, suc el inge putatyang nuke sie pusren Masap su orala Kosrae State Law No. 11-104.

"TO AMEND TITLE 10, CHAPTER 2, SECTION 10.205(1)(j), OF THE KOSRAE STATE CODE, TO REPEAL THE DEPARTMENT OF TRANSPORTATION AND INFRASTRUCTURE FUND AND CORRECT ALPHABETICAL ORDER OF THE SECTION; AND FOR OTHER PURPOSE."

Certified copy ke masap se inge pa attached nuke letter luk.

Kulo ma lulap.

Lyndon H. Jackson
Governor, State of Kosrae
March 23, 2017

The Honorable Lyndon H. Jackson
Governor
State of Kosrae
Federated States of Micronesia 96944

Dear Governor Jackson,

I have the honor to transmit herewith for your consideration and action on L.B. No. 11-117; TO AMEND TITLE 10, CHAPTER 2, SECTION 10.205(1)(j), OF THE KOSRAE STATE CODE, TO REPEAL THE DEPARTMENT OF TRANSPORTATION AND INFRASTRUCTURE FUND AND CORRECT ALPHABETICAL ORDER OF THE SECTION; AND FOR OTHER PURPOSES; which passed the Legislature, Seventh Special Session, by two-thirds of the members of the Legislature, a quorum is present.

Respectfully yours,

[Signature]

Andy J. Andrew
Chief Clerk
Kosrae State Legislature

Enclosures:
LEGISLATIVE BILL No. 11-117

ELEVENTH KOSRAE STATE LEGISLATURE
SEVENTH SPECIAL SESSION

A BILL FOR AN ACT

TO AMEND TITLE 10, CHAPTER 2, SECTION 10.205(1)(j), OF THE KOSRAE STATE CODE, TO REPEAL THE DEPARTMENT OF TRANSPORATION AND INFRASTRUCTURE FUND AND CORRECT ALPHABETICAL ORDER OF THE SECTION; AND FOR OTHER PURPOSES.

INTRODUCED BY: Senator

DATE: August 09, 2016

Rolner L. Joe

ACTION BY THE LEGISLATURE

PASSED FIRST READING: August 24, 2016

REFERRED TO: SCR No. 11-217

PASSED SECOND READING: August 29, 2016

Chief Clerk
Kosrae State Legislature
LEGISLATIVE BILL No. 11-117

We hereby certify that the foregoing Bill has passed Second and Final Readings in the Legislature, Seventh Special Session, 2016, by two-thirds of the members of the Legislature, a quorum is present.

Tulensa W. Palik
Speaker
Eleventh Kosrae State Legislature

Andy J. Andrew
Chief Clerk
Kosrae State Legislature
A BILL FOR AN ACT

To amend Title 10, Chapter 2, Section 10.205(1)(j), of the Kosrae State Code, to repeal the Department of Transportation and Infrastructure Fund and correct alphabetical order of the section; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE

Section 1. Purpose. The purpose of this act is to revoke the revolving fund account for the Department of Transportation and Infrastructure of the Kosrae State Treasury.

Section 2. Amendment. Title 10, Chapter 2, at Section 10.205(1)(j) is hereby amended to read as follows:

"Section 10.205. The Revenue Fund

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

(a) The Department of Resources and Economic Affairs shall maintain a revolving fund known as the Production Development Fund."
(i) The Fund shall be used:

(1) to make low interest loans to individuals to assist with

the production of goods for export or sale or

consumption in Kosrae; or

(2) to make bulk purchase of agriculture supplies for

re-sale to farmers at a price no greater than 10% of the

net purchase price; or

(3) to purchase fishing supplies for re-sale in Kosrae; or

(4) to assist with the marketing of Kosraean agriculture

produce.

(ii) The fund shall receive monies from these sources:

(1) the sale of supplies and equipment for gardening,

livestock and poultry production, and from the

marketing of all agriculture produce; and

(2) the sale of agriculture supplies; and

(3) the sale of fishing supplies; and

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

(iii) The Production Development Fund shall be administered by

Director of the Department of Resources and Economic

Affairs but all funds shall be received, held disbursed and

accounted for by the Director of the Department of

Administration and Finance or his designee.
(1) The Director of the Department of Administration and Finance shall prepare a monthly report detailing all loans made and listing any other transaction;

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

(b) the Sports Council may retain funds collected pursuant to Section 7.902(3), funds obtained through contributions and donations, and any interest thereon for funding operations, acquisition of equipment and the purchase of prizes;

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

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

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

(f) The Division of Finance and Budget retains in a Health Care Fund all monies collected from or on behalf of patients or clients or the Kosrae Department of the Health Services, including, but not limited to, reimbursements from any program of medical insurance and payments received by the State in connection with off-island referrals. Monies in the Health Care Fund are continually appropriated for expenditure by the Department of Health Services primarily for the purchase of medical supplies and pharmaceutical supplies for its clinics, dispensaries, programs and patients. The fund may also be used to support the off-island medical referral services of the State and to advance payment of employees' salaries and benefits provided in the latter situation, when those salaries and
benefits have been authorized for reimbursement by the 
FSM National Government or Kosrae State Government or 
the relevant government or its department, agency, or 
entity; provided, however, that the funds received as 
reimbursement shall also be deposited in the Health Care 
Fund.

(g) The Division of Finance and Budget retains in a State 
Scholarship Grant and Loan Fund, all monies received 
from Kosrae State Government appropriations for 
Scholarship purposes and from loan collected from 
student loans. Monies in the Scholarship Fund must be 
made available solely for Kosrae State Scholarship Board 
and continually loaned out to qualified recipients.

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

(i) The Department of Education retains in a Yearbook 
Revolving Fund, all monies contributed, received and
collected from yearbook sales by depositing that revenue into the fund using it strictly for the Kosrae High School yearbook; and

(i) The Court may retain monies received as payment for published decisions, opinion, rules or probation fees or other documents issued by the Court.

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

(l) The Department of Administration and Finance shall maintain a Land Administration Revolving Fund.

(i) The Fund shall be used solely for the salary of the personnel of Division of Land, Survey and Mapping;

(ii) The fund shall receive monies, fees and charges from the following sources and services:

1. Homestead Lease; and

2. FSM National Government Land Lease.

(iii) Deposit. All future appropriations for the funds as well as the payments received pursuant to subsection (ii) and any other payments received to defray cost of salary for the personnel under the
Division of Survey and Mapping and Division of Land Management under the Department of Resources and Economic Affairs. The total aggregate amount of this Fund shall be $80,000.00. Any unexpected monies in this Fund shall revert back to the General Fund.

(iv) The Department of Resources and Economic Affairs shall establish by regulation the fees and charges for land registration, mapping, surveying and other land management services;

(v) The Fund shall be under the control, custody, management and administration of the Director of the Department of Administration and Finance. The Director shall prepare a monthly report detailing the use of and expenditures of this fund. A copy of the report shall be transmitted to the Governor and the Speaker of the Kosrae State Legislature within five (5) business days at the end of each month or as needed.

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

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

Section 3. Effective Date. This act shall takes effect upon the approval of the Governor or upon its becoming law without such approval.

PASSED BY THE ELEVENTH KOSRAE STATE LEGISLATURE ON THE 29th DAY OF AUGUST, 2016.

Tulensa W. Palik
Speaker, Eleventh Kosrae State Legislature

Attested by:  
Chief Clerk

Lyndon H. Jackson
Governor, State of Kosrae

Date: ___________________