A BILL FOR AN ACT

To appropriate the sum of $5,000.00 from the State Revenue Fund of the Kosrae State Treasury for the purpose of providing funding for the 18th Annual Pacific Islands Bilingual Bicultural Association Conference to be held in the State of Kosrae from June 21-23, 1999; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE

Section 1. Appropriation. The sum of $5,000.00 is hereby appropriated from the State Revenue Fund of the Kosrae State Treasury in order to provide funding for the 18th Annual Pacific Islands Bilingual Bicultural Association Conference to be held in the State of Kosrae from June 21-23, 1999.

Section 2. Allottee. All funds appropriated by this act shall be allotted, managed, administered and accounted for in accordance with applicable laws. The allottee of the funds shall be the Governor of the State of Kosrae. The allottee shall be responsible for ensuring that these funds, or so much thereof as may be necessary, are used solely for the purpose specified in this act and that no obligations are incurred in excess of the sum appropriated. The authority of the allottee to obligate funds appropriated by this act shall lapse on September 30, 1999. These funds are to be used solely for the purposes described in this act and are not to be reprogrammed in any manner.

Section 3. Effective Date. This act shall become law upon approval by the Governor or upon its becoming law without such approval.

PASSED BY THE SEVENTH KOSRAE STATE LEGISLATURE ON THE 21ST DAY OF APRIL, 1999.

Hiteo S. Shrew
Speaker, 7th Kosrae State Legislature

Attested by:

Chief Clerk

Reinlet A. Sigrab
Governor, State of Kosrae

Date: 5.6.71
A BILL FOR AN ACT

To amend Kosrae State Code Title 13, Chapter 7, Section 13.703, by adding a new Subsection (24); to prohibit driving a pickup truck while a passenger of that pickup truck rides on top of the pickup bed wall or on top of the tailgate; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE

Section 1. Purpose. The purpose of this bill is to promote public safety by
prohibiting driving a pickup truck while a passenger of that pickup truck rides on
the top of the pickup bed; on top of the tailgate, on the front or rear bumper, on the
hood or on the roof of the cab.

Section 2. Amendment. Kosrae State Code, Title 13, Chapter 7, Section 13.703 is
hereby amended to read as follows:

"Section 13.703. Violating rules of the road. Violating rules of the
road is being the driver of a vehicle and committing any of the following acts:

(1) failing to obey a sign or marker erected pursuant to
Section 17.103;

(2) failing to drive on the right side of the road except when
passing another vehicle lawfully or when the right side of the road is (impassable);

(3) passing another vehicle traveling in the same direction
on the right of the vehicle or on the left of the vehicle when the left side of the road
is not clearly visible and free of oncoming traffic for a distance of three hundred
feet;

(4) following another vehicle more closely than is reasonable
and prudent considering the speed that the vehicle is traveling and the condition of
the road;

(5) entering an intersection and failing to yield the right-of-
way to a vehicle that has entered the intersection first;

(6) entering an intersection at the same time as another
vehicle and failing to yield the right-of-way to the vehicle entering the
intersection to the right;
   (7) turning left from within an intersection and failing to
yield to
a vehicle approaching from the opposite direction which is within the intersection
or so close as to create an immediate hazard;
   (8) entering a road from a driveway or private road and
failing to yield the right-of-way to all motor vehicles approaching on the road;
   (9) driving on a road and failing to yield the right-of-way to
emergency vehicles;
   (10) driving on a road and failing to yield the right-of-way to a
pedestrian crossing the road;
   (11) stopping on a road or turning while on a road and failing
to signal the stop or turn by the hand and arm in a manner required by regulations
issued pursuant to Section 5.202 (1)(e) or by signal lamp or lamps or mechanical
signal;
   (12) driving at a speed greater than is reasonable and prudent
considering the traffic, surface and width of the road, weather, hazards, pedestrians
and any other condition existing;
   (13) driving at a speed greater than fifteen miles per hour
when passing a school or its grounds during the months school is in session;
   (14) driving at a speed greater than twenty miles per hour in
any area used primarily for either businesses or residences;
   (15) driving at a speed greater than twenty-five miles per
hour in any other area;
(16) parking a vehicle, whether attended or unattended, and
failing to park as far to the right of the road as is practicable;
(17) stopping or parking a vehicle, whether attended or
unattended, in any of the following places:
   (a) within fifteen feet of an intersection;
   (b) on a crosswalk;
   (c) within thirty feet of an official stop sign;
   (d) within fifteen feet of the driveway entrance to any
fire station;
   (e) within fifteen feet of a fire hydrant or an area so
designated;
   (f) in front of a private driveway;
   (g) on a sidewalk;
   (h) alongside or opposite any street or road excavation or
obstruction when such stopping, standing or parking would obstruct traffic;
   (i) on the road side of any vehicle stopped or parked at the
edge of a highway; or
   (j) on the traffic base of any road.
(18) having control or charge of a vehicle and allowing the
vehicle to stand on a road unattended without first effectively setting the brakes,
stopping the motor and placing it in gear;
(19) driving a vehicle when the vehicle is so loaded as to
obstruct the view of the driver to the front or sides or to interfere with the driver's
control over the driving mechanism of the vehicle. This section is violated when
more than two persons (including the driver) are seated in the front seat of any jeep.
or when more than three persons (including the driver) are seated in the front seat of any other type of vehicle, except that one child under seven years of age may be seated in addition to the above;

(20) driving a two-wheeled or three-wheeled motor vehicle and failing to wear a safety helmet of a nature and in a manner required by regulations issued pursuant to Section 5.202 (1)(e), or carrying any passenger who fails to wear such a helmet;

(21) driving a two-wheeled or three-wheeled motor vehicle or [and] carrying more than one passenger, except that a person under the age of five years may sit on the passenger's lap;

(22) passing a school bus which is discharging or receiving passengers; or

(23) being the driver of a school bus and failing to activate the bus' front and rear warning lights before discharging or receiving passengers, or if the either set of lights is inoperative or if the bus is not equipped with warning lights, failing to by manual signal halt both lanes of traffic. A school bus driver does not allow a passenger to leave the bus or approach a bus for admission until both lanes of traffic have halted; or

(24) being the driver of a pickup, flatbed, or other open-bed truck while a passenger of that truck rides on top of the pickup bed wall, on top of the tailgate, on the front or rear bumper, on the hood, or on the roof of the cab.

Violating rules of the road is a category 4 misdemeanor.

Section 3. Effective Date. This act shall take effect upon its approval by the Governor or upon its becoming law without such approval.
PASSED BY THE SEVENTH KOSRAE STATE LEGISLATURE ON THE 21ST DAY OF APRIL, 1999.

Hitco S. Shrew
Speaker, 7th Kosrae State Legislature

Attested by
Chief Clerk

Rensley A. Sigrah
Governor, State of Kosrae

Date: 5-12-99
A BILL FOR AN ACT

To amend Kosrae State Code Title 13, Chapter 5, to add Section 13.538; to protect the Kosrae White-eye or “Trum”; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE

Section 1. Purpose. The purpose of this bill is to protect the Kosrae White-eye or “Trum”.

Section 2. Amendment. Kosrae State Code, Title 13, Chapter 5, is hereby amended to add a new Section 13.538 to read as follows:

“Section 13.538. Endangering the Kosrae White-eye. Endangering the Kosrae White-eye or “Trum” is the killing, injuring, capturing, possessing or exporting of the Kosrae White-eye or “Trum”. Endangering the Kosrae White-eye is a category three misdemeanor.”

Section 3. Effective Date. This act shall become law upon approval by the Governor or upon its becoming law without such approval.

PASSED BY THE SEVENTH KOSRAE STATE LEGISLATURE ON THE 22ND DAY OF APRIL, 1999.

Hico S. Shrew
Speaker, 7th Kosrae State Legislature

Attested by:

Chief Clerk

Rensley A. Sigrah
Governor, State of Kosrae

Date: 5.12.99
A BILL FOR AN ACT

To appropriate the sum of $83,500 from the Foreign Assistance Fund of the Kosrae State Treasury for the purpose of funding certain CFSM Projects in the State of Kosrae; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE

Section 1. Appropriation. The sum of $83,500 is hereby appropriated from the Foreign Assistance Fund of the Kosrae State Treasury for the purpose of funding certain CFSM Projects in the State of Kosrae.

Section 2. Apportionment. The sum appropriated by Section 1 of this act shall be apportioned as follows:

(1) FY-99 Utwe-Walung Marine Park $48,500
(2) FY-99 Lime Fol Project $15,000
(3) FY-99 KCAP/Aluminum Recycling $20,000

Section 3. Allottee. All funds appropriated by this act shall be allotted, managed, administered and accounted for in accordance with applicable laws. The allottee of the funds appropriated by this act shall be the Governor of the State of Kosrae who shall be responsible for ensuring that these funds, or so much thereof as may be necessary, are used solely for the purpose specified in this act, and that no obligations are incurred in excess of the sum appropriated.

Section 4. Effective Date. This act shall become law upon approval by the Governor or upon its becoming law without such approval.

PASSED BY THE SEVENTH KOSRAE STATE LEGISLATURE ON THE 11TH DAY OF MAY, 1999.

H. S. Shrew
Speaker, 7th Kosrae State Legislature

Attested by

Kesley A. Sigrah
Governor, State of Kosrae

Date: 9-18-99
A BILL FOR AN ACT

To appropriate the sum of $135,000 from the Foreign Assistance Fund of the Kosrae State Treasury for the purpose of funding certain CFSM Projects in the State of Kosrae; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE

Section 1. Appropriation. The sum of $135,000 is hereby appropriated from the Foreign Assistance Fund of the Kosrae State Treasury for the purpose of funding certain CFSM Projects in the State of Kosrae.

Section 2. Apportionment. The sum appropriated by Section 1 of this act shall be apportioned as follows:

1. FY-99 Lelu Causeway Market $10,000
2. FY-99 KUA Power Extension $100,000
3. FY-99 Kosrae National Poultry Project $25,000

Section 3. Allottee. All funds appropriated by this act shall be allotted, managed, administered and accounted for in accordance with applicable laws. The allottee of the funds appropriated by this act shall be the Governor of the State of Kosrae who shall be responsible for ensuring that these funds, or so much thereof as may be necessary, are used solely for the purpose specified in this act, and that no obligations are incurred in excess of the sum appropriated.

Section 4. Effective Date. This act shall become law upon approval by the Governor or upon its becoming law without such approval.

PASSED BY THE SEVENTH KOSRAE STATE LEGISLATURE ON THE 11TH DAY OF MAY, 1999.

Hiteo S. Shrew
Speaker, 7th Kosrae State Legislature

Attested by:

Rensley A. Sigrah
Governor, State of Kosrae
Date: 5-18-97
A BILL FOR AN ACT

To amend Section 10.205(1) of the Kosrae State Code to create a Scholarship Fund to retain all monies from loan collections for the Kosrae State Education Loan Program; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE

Section 1. Amendment Section 10.205(1) of the Kosrae State Code 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, fees, license, interest, rent, or Government service, and other Government collections or collections by a government for the Government benefit. A person who receives monies pursuant to this section transmits the monies within seven days of receipt to the Division of Finance and Budget under the Department of Administration for deposit in the Revenue Fund except that:

(a) The Department of Agriculture and Lands may retain monies received in the sale of supplies and equipment for gardening, livestock and poultry production and in the marketing of all agriculture produce;

(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 an Airport Trust Fund all monies from taxes, duties or tariffs, fees, licenses, rents and other charges arising out of the operation of the Kosrae Airport, including all airport buildings and facilities, which monies are spent at the discretion of the
Department of Transportation and Utilities for construction renovation of facilities at the Kosrae Airport.

(d) The Division of Finance and Budget retains in a Recycling Fund all monies collected pursuant to Title 9, Chapter 22, and promulgates regulations for the disbursement of Recycling Fund monies for the refund of beverage container deposits, and the maintenance of a recycling program;

(e) The Department of Commerce and Industry 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;

(f) The Division of Finance and Budget retains in a publication Fund the 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;

(g) 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 solely for the purchase of medical supplies, inclusive of pharmaceutical supplies, for use by the Department of Health Services, its clinics, dispensaries, programs and patients; and

(h) The Division of Finance and Budget retains in a
State Scholarship Grant and Loan Fund, all monies received from student loan repayments including any accrued interest. Monies in the Scholarship Fund are available solely to the State Scholarship Board to be used for scholarship purposes only.

Each department, office, and agency retaining monies pursuant to subsection (a) through (h) provides a written monthly report to the Office of the Governor and the Speaker on the Status of the monies, including amounts received and expended, upon determining that a department, office, or agency has money in excess of the amount necessary for the purpose for which it is allowed to retain the funds, the Governor directs that said excess be turned over to the State Treasury."

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

PASSED BY THE SEVENTH KOSRAE STATE LEGISLATURE ON THE 4TH DAY OF MAY, 1999.

Speaker, 7th Kosrae State Legislature

Attested by:

Governor, State of Kosrae

Date: 5-19-99
A BILL FOR AN ACT

To appropriate the sum of $150,000 from the Foreign Assistance Fund of the Kosrae State Treasury for the purpose of funding certain CFSM Projects in the State of Kosrae; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE

Section 1. Appropriation. The sum of $150,000 is hereby appropriated from the Foreign Assistance Fund of the Kosrae State Treasury for the purpose of funding certain CFSM Projects in the State of Kosrae.

Section 2. Apportionment. The sum appropriated by Section 1 of this act shall be apportioned as follows:

(1) FY-99 Shoreline Protection $100,000
(2) FY-99 Pacific Tuna Industry, Inc. $50,000

Section 3. Allottee. All funds appropriated by this act shall be allotted, managed, administered and accounted for in accordance with applicable laws. The allottee of the funds appropriated by this act shall be the Governor of the State of Kosrae who shall be responsible for ensuring that these funds, or so much thereof as may be necessary, are used solely for the purpose specified in this act, and that no obligations are incurred in excess of the sum appropriated.

Section 4. Effective Date. This act shall become law upon approval by the Governor or upon its becoming law without such approval.

PASSED BY THE SEVENTH KOSRAE STATE LEGISLATURE ON THE 11TH DAY OF MAY, 1999.

Hiteo S. Shown
Speaker, 7th Kosrae State Legislature

Attested by:

Rensley A. Sigrah
Governor, State of Kosrae

Date: 5. 17. 99
A BILL FOR AN ACT

To appropriate the sum of $11,770 from the Foreign Assistance Fund of the Kosrae State Treasury for the purpose of funding certain US Federal Programs in the State of Kosrae; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE

Section 1. Appropriation. The sum of $11,770 is hereby appropriated from the Foreign Assistance Fund of the Kosrae State Treasury for the purpose of funding certain US Federal Programs in the State of Kosrae.

Section 2. Apportionment. The sum appropriated by Section 1 of this act shall be apportioned as follows:

1. FY-99 AIDS Prevention Program $40,710
2. FY-99 Kosrae Close Up Program $1,000

Section 3. Allottee. All funds appropriated by this act shall be allotted, managed, administered and accounted for in accordance with applicable laws. The allottee of the funds appropriated by this act shall be the Governor of the State of Kosrae who shall be responsible for ensuring that these funds, or so much thereof as may be necessary, are used solely for the purpose specified in this act, and that no obligations are incurred in excess of the sum appropriated.

Section 4. Effective Date. This act shall become law upon approval by the Governor or upon its becoming law without such approval.

PASSED BY THE SEVENTH KOSRAE STATE LEGISLATURE ON THE 11TH DAY OF MAY, 1999.

[Signature]
Speaker, 7th Kosrae State Legislature

[Signature]
Chief Clerk

[Signature]
Governor, State of Kosrae

Date: 5/20/99
A BILL FOR AN ACT

To appropriate the sum of $105,000 from the Foreign Assistance Fund of the Kosrae State Treasury for the purpose of providing funds for Health Services projects in the State of Kosrae; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE

Section 1. Appropriation. The sum of $105,000 is hereby appropriated from the Foreign Assistance Fund of the Kosrae State Treasury for the purpose of providing funds for Health Services projects in the State of Kosrae.

Section 2. Allottee. All funds appropriated by this act shall be allotted, managed, administered and accounted for in accordance with applicable laws. The allottee of the funds appropriated by this act shall be the Governor of the State of Kosrae who shall be responsible for ensuring that these funds, or so much thereof as may be necessary, are used solely for the purpose specified in this act, and that no obligations are incurred in excess of the sum appropriated.

Section 3. Effective Date. This act shall become law upon approval by the Governor or upon its becoming law without such approval.

PASSED BY THE SEVENTH KOSRAE STATE LEGISLATURE ON THE 11TH DAY OF MAY, 1999.

Hiteo S. Shrew
Speaker, 7th Kosrae State Legislature

Attested by

Rensley A. Sigrah
Governor, State of Kosrae

Date: 5.20.99
A BILL FOR AN ACT

To appropriate the sum of $730,348 from the Foreign Assistance Fund of the Kosrae State Treasury for the purpose of funding the Freely Associated States Education Grant Program in the State of Kosrae; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE

Section 1. Appropriation. The sum of $730,348 is hereby appropriated from the Foreign Assistance Fund of the Kosrae State Treasury for the purpose of funding the Freely Associated States Education Grant Program in the State of Kosrae.

Section 2. Allottee. All funds appropriated by this act shall be allotted, managed, administered and accounted for in accordance with applicable laws. The allottee of the funds appropriated by this act shall be the Governor of the State of Kosrae who shall be responsible for ensuring that these funds, or so much thereof as may be necessary, are used solely for the purpose specified in this act, and that no obligations are incurred in excess of the sum appropriated.

Section 3. Effective Date. This act shall become law upon approval by the Governor or upon its becoming law without such approval.

PASSED BY THE SEVENTH KOSRAE STATE LEGISLATURE ON THE 11TH DAY OF MAY, 1999.

Hideo S. Shrew
Speaker, 7th Kosrae State Legislature

Attested by:

Rentsley A. Sigrah
Governor, State of Kosrae

Date: 5.20.99
A BILL FOR AN ACT

To appropriate the sum of $18,000 from the Foreign Assistance Fund of the Kosrae State Treasury for the purpose of providing supplemental funding for the Forestry project in the State of Kosrae; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE

Section 1. Appropriation. The sum of $18,000 is hereby appropriated from the Foreign Assistance Fund of the Kosrae State Treasury for the purpose of providing supplemental funding for the Forestry project in the State of Kosrae.

Section 2. Allottee. All funds appropriated by this act shall be allotted, managed, administered and accounted for in accordance with applicable laws. The allottee of the funds appropriated by this act shall be the Governor of the State of Kosrae who shall be responsible for ensuring that these funds, or so much thereof as may be necessary, are used solely for the purpose specified in this act, and that no obligations are incurred in excess of the sum appropriated.

Section 3. Effective Date. This act shall become law upon approval by the Governor or upon its becoming law without such approval.

PASSED BY THE SEVENTH KOSRAE STATE LEGISLATURE ON THE 11TH DAY OF MAY, 1999.

Hiteo S. Shrew  
Speaker, 7th Kosrae State Legislature

Attested by

Reneley A. Sigrah  
Governor, State of Kosrae  

Date: 5-20-99
A BILL FOR AN ACT

To amend Title 2, Chapter 5 of the Kosrae State Code by including an additional holiday under Section 2.501(1) to be called the Good Friday Holiday; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE

Section 1. **Purpose.** The purpose of this amendment is to include a Good Friday Holiday under Section 2.501(1) to make it one of Kosrae State's official holiday to be observed each year.

Section 2. **Amendment.** Kosrae State Code, Section 2.501(1) is hereby amended to read as follows:

"Section 2.501. **Holidays.**

(1) The following are the Government holidays for celebration on the indicated date:

(a) New Year's Day January 1st
(b) Kosrae State Constitution Day January 11th
(c) Good Friday Friday before Easter Sunday
(d) Federated States of Micronesia Constitution Day May 10th
(e) Kosrae Liberation Day September 8th
(f) Self Government Day November 3rd
(g) Thanksgiving Day Last Thursday of November
(h) Christmas Day December 25th

Any legal holiday observed by the Government of the Federated States of Micronesia and not listed above shall also be a Kosrae State Government holiday."

Section 3. **Effective Date.** This act shall become law upon approval by the Governor or upon its becoming law without such approval.
PASSED BY THE SEVENTH KOSRAE STATE LEGISLATURE ON THE 11TH DAY OF MAY, 1999.

Hileo S. Shrew
Speaker, 7th Kosrae State Legislature

Attested by:

Chief Clerk

Rensley A. Sigrah
Governor, State of Kosrae

Date: 6.07.99
A BILL FOR AN ACT

To amend Title 7 of the Kosrae State Code, to repeal Chapter 13 in its entirety and replace it with a new Chapter 13 and allow Micronesia Petroleum Corporation to sell a minority ownership interest to shareholders; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE

Section 1. Purpose. The purpose of this Act is to change the ownership status of Micronesia Petroleum Corporation. The State of Kosrae will retain majority ownership in the Corporation and allow a minority ownership to be sold to shareholders.

Section 2. Amendment. Kosrae State Code, Title 7, is amended to move Part II, following Chapter 12, to be entitled:

"Part II. Government Financed Enterprises"

Section 3. Amendment. Kosrae State Code, Title 7, Chapter 13 is hereby repealed in its entirety.

Section 4. Amendment. Kosrae State Code, Title 7, Chapter 13 is hereby created to read as follows:

"Chapter 13. Micronesia Petroleum Corporation

Section 7.1301. Corporation established and empowered. There is a corporation known as the Micronesia Petroleum Corporation, formerly established by the Code, referred to in this Chapter as the "Corporation".

Section 7.1302. Responsibilities, duties and powers of the Corporation. The Corporation is vested with the following powers, duties and responsibilities:

(1) To operate and manage the State’s fuel storage facility.

(2) To expand and improve the State owned fuel storage facility to meet the foreseeable demand for reliable and economical fuel for the public and private sectors of the State.

(3) To engage in the business of buying and selling petroleum
products.

(4) To acquire and maintain from the revenues and subsidies received by the Corporation, a prudent contingency reserve of capital, a program of insurance, including liability coverage, for all personnel, facilities and equipment controlled by the Corporation.

(5) To deposit in the Kosrae State Treasury surplus revenue, consistent with Section 7.1315, after investments in expansion, improvements of the Corporation and the payment of dividends, as approved by the Board of Directors.

(6) To issue dividends to shareholders as approved by the Board of Directors.

(7) To sue and be sued in its own name.

(8) To borrow funds for its operation, maintenance, improvement, expansion and development.

(9) To sell minority ownership interest or stock in the Corporation, not in excess of forty-nine (49%) percent of the total value of the Corporation.

Section 7.1303. Legal characteristics and capacity of the Corporation. In performing the responsibilities and duties authorized by this act or other laws of the State, the Corporation holds the capacity to exercise all powers reasonably necessary to discharge its duties and responsibilities, including, but not limited to the following:

(1) To adopt, alter and use an official seal.

(2) To adopt and amend bylaws and other rules, regulations and directives governing all aspects and duties granted to or imposed upon it by law. No bylaws, rules or regulation other than those covering the internal operation of the Corporation shall be adopted without a public shareholder meeting. Notice of a
meeting. Notice of a meeting within this subsection shall be given to shareholders thirty (30) days prior to the Board of Directors meeting.

(3) To set interest charges or other monetary penalties, to require security deposits and create procedures for termination of service, and to establish such other procedures and policies to ensure timely payment of Corporation bills.

(4) To sue and be sued as an entity; provided that satisfaction of judgment or the settlement of claims or tort actions against the Corporation may only be paid out of contingency reserves or insurance held by the Corporation and not out of the other assets or operating capital of the Corporation, and for these purposes the doctrine of sovereign immunity is recognized and maintained for this public corporation to the extent not expressly waived by the State law.

(5) To acquire in any lawful manner, real, personal, or mixed property, either tangible or intangible, to hold, maintain, use, and operate such property; and to sell, lease or otherwise dispose of such property.

(6) To acquire in any lawful manner and with consent of the entity, the business, property, assets, and liabilities of any public entity of the State to the extent it provides fuel.

(7) To borrow or raise any sums of money or such security and upon such terms as may from time to time be deemed necessary for the expansion and improvement of the Corporation’s business.

(8) To retain and terminate the services of employees, agents, attorneys, auditors, and independent contractors upon such terms and conditions as the Corporation deems appropriate.

Section 7.1304. **Debts and obligations of the Corporation.** Unless otherwise provided by law, the debts and obligations of the Corporation are not the debts and
obligations of the Kosrae State Government, and the Kosrae State Government is not responsible for any such debts or obligations.

Section 7.1305. Composition of the Board. The Corporation is governed by the Board of Directors. There shall be five (5) directors on the Board appointed by the State of Kosrae. In addition to the five (5) appointed directors, each shareholder possessing a twenty (20%) percent or more ownership of outstanding stock, or his designee, shall serve as director. The five appointed board members are nominated by the Governor, with the advice and consent of the Legislature. An appointed Director serves for a term of four years, subject to reappointment, and until his successor has been appointed and qualifies. A vacancy of an appointed Director is filled for the remainder of the terms for that vacated position.

Section 7.1306. Meeting of the Board. The Board meets and holds at least one annual shareholders' meeting. The Board may call other meetings as it deems necessary for the transaction of its general business.

Section 7.1307. Organization of the Board: quorum; compensation and expenses. Pursuant to its bylaws, the Board organizes by electing one of its members as Chairman and another as Vice Chairman. The Board also designates from among its members a Secretary to keep the minutes and records of the Board. A majority of the Board constitutes a quorum, and a concurrence of a majority of its members is necessary for any official action to be taken by the Board. No vacancy in the membership of the Board impairs the right of a quorum to exercise all of the rights and perform all of the duties of the Board. Directors are compensated at prescribed rates when they physically attend meetings of the Board. All Directors, appointed by the State of Kosrae, receive travel expenses and per diem at Kosrae State Government rate when these amounts would be payable to Kosrae State
government employees in the same circumstances. Non-appointed Directors shall not receive travel expenses or per diem from the Corporation.

Section 7.1308. Appointment of General Manager, removal. By a majority vote, the Board appoints a General Manager and fixes his compensation. The General Manager has full charge and control of the operation and management of the Corporation and other real and personal property controlled by the Corporation, and of construction and maintenance of any facility and necessary work on vehicles, vessels and equipment controlled by or required to be built or repaired by the Corporation. The Board may remove the General Manager for good cause upon a majority vote. During any period when the position of General Manager is vacant, the position is temporarily filled from within the organization following its rules and regulations.

Section 7.1309. Duties of the General Manager. The General Manager of the Corporation has the following duties:

(1) To ensure that all fees and bills imposed by the Corporation are charged and collected.

(2) To attend all meetings of the Board and submit a general report on the affairs of the Corporation.

(3) To keep the Board advised on the needs of the Corporation.

(4) To approve demands for payment of obligations for the purposes and within amounts authorized by the Board.

(5) To prepare or have prepared all plans and specifications for the construction and repair of facilities, vehicles, vessels and equipment operated by the Corporation.

(6) To manage the day to day business of the Corporation; to select
and appoint the employees of the Corporation except as otherwise provided in this act; to contract with independent contractors, and to plan, organize coordinate and control the services of such employees and contractors in the exercise of the powers of the Corporation under the general direction of the Board.

(7) To publish within 90 days after the end of each fiscal year, in the manner required by the Board, a complete financial and operations statement showing the result of operations for the preceding fiscal year and the financial status of the Corporation on the last day thereof.

(8) To perform such other additional duties as the Board may require.

Section 7.1310. Appointment of Comptroller and general counsel; duties of each. The General Manager appoints a comptroller and a general counsel, both of whom report to the General Manager. The General Manager may terminate the comptroller and the general counsel for good cause. The comptroller and the general counsel are compensated at rates determined by the Board. Such officers may be full-time employees of the Corporation, shared with the Kosrae State Government, or be placed on retainer from the private sector. The General Manager may appoint one or more assistants to any such office.

(1) The Comptroller has custody of all monies of the Corporation and pays out such money only in accordance with the direction of the Board and as provided in the annual budget of the Corporation. The Board appoints an agent as its trustee for payment of bonds issued by it and for such related purposes as the Board may provide.

(2) The general counsel advises the Board and the General Manager in all legal matters to which the Corporation is a party or in which the Corporation
is legally interested and may represent the Corporation

Section 7.1311. **Valuation, Accounting and Reporting** The Board adopts and
maintains a system of accounting that is in accordance with generally accepted
accounting principles applicable to public corporation. The system adopted
requires:

(1) That the Board employs a firm of independent certified public
accountants or certified appraisers to determine the total value of the Corporation
prior to any issuance of stock or sale of a minority interest. The Board shall
transmit said report of the Corporation’s valuation to the Governor and the Speaker
prior to any issuance of stock or sale of a minority interest. The Board shall consult
with the Governor and Speaker regarding the minority investment plan for the
Corporation prior to any issuance of stock or sale of a minority interest.

(2) That the Board employs a firm of independent certified public
accountants who annually examine and report to the Board the financial status of
the Corporation, and that copies of such reports are furnished to the Governor and
Legislature of Kosrae State, made available for distribution in the Corporation’s
headquarters to shareholders and transmitted to all shareholders owning at least
five (5%) percent of the outstanding shares; and

(3) That the Board present to the Governor and Legislature of Kosrae
State and all shareholders who own five (5%) percent or more of the outstanding
shares an annual report on the affairs of the Corporation within 90 days after the
end of each fiscal year. A copy of this annual report shall also be made available to
all shareholders for their review at the Corporation’s headquarters. When
requested by the Governor or the Legislature, the Corporation shall present special
reports within 60 days after the end of each intervening quarter.
Section 7.1312. **Budget preparation.** In consultation with the Board, the General Manager prepares in advance of each fiscal year an annual budget for the Corporation, taking into consideration, anticipated capital and operational expenditures and anticipated revenues. The Corporation uses the same fiscal calendar as the Kosrae State Government. The budget indicates the operational, capital and maintenance requirements of the Corporation that will be met with, the anticipated revenues of the Corporation and such essential requirements as cannot be met without increase of revenues or outside financial assistance.

Section 7.1313. **Increase in the rate of services provided.** The Corporation may increase the cost of diesel or gasoline fuel sold for domestic use in the State of Kosrae, only after exhaustive consultations with the Governor and Legislature, and they have concluded that such increases are not unreasonably high, restrictive or discriminatory due to the abuse of the Corporation’s dominant position in the industry. Domestic use includes Kosraen fuel retailers, majority owned Kosraen businesses, Kosrae Utility Authority and Kosrae State Government. The Corporation may increase or decrease the price of aviation or jet fuel as it deems appropriate under common business practices and contractual obligations. The Corporation may increase or decrease the price of diesel or gasoline, for non-domestic use, as it deems appropriate under common business practices and contractual obligations.

Section 7.1314. **Deposit of excess revenue.** The General Manager in consultation with the Board shall set aside sufficient funds from the revenues of the Corporation to fund the operations, maintenance, expansion, loan retirement and other legitimate financial needs of the Corporation. Any excess revenue over and above the amount necessary to fund the legitimate financial needs of the Corporation may be issued as dividends to the shareholders of the Corporation after
the close of each fiscal year as determined by the Board; provided however that the aggregate amount of such excess funds shall not be greater than 80% of the annual net profit of the Corporation.

Section 7.1315. *Procurement; Manual of Administration* The Board adopts procurement regulations and establishes a Manual of Administration for the Corporation including rules and regulations governing the selection, promotion, performance, evaluation, demotion, suspension, dismissal and other disciplinary rules for employees of the Corporation. Employees of the Corporation are eligible to participate in any health insurance plan, life insurance plan, retirement fund, and workmen’s compensation funds available to Kosrae State Government employees. The Corporation contributes to such programs as determined by the governing authorities thereof."

Section 5. *Effective Date* This act shall take effect upon approval by the Governor or upon its becoming law without such approval.

PASSED BY THE SEVENTH KOSRAE STATE LEGISLATURE ON THE 12TH DAY OF MAY, 1999.

Hitot Shrew
Speaker, 7th Kosrae State Legislature

Attested by: [Signature]
Chief Clerk

Rensley A. Sigrah
Governor, State of Kosrae

Not Concurred

Veto

w/10/99

Override 7/13/99
A BILL FOR AN ACT

To appropriate the sum of $15,000 from the Foreign Assistance Fund of the Kosrae State Treasury for the purpose of funding law school scholarships; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE

Section 1. Appropriation. The sum of $15,000 is hereby appropriated from the
from the Foreign Assistance Fund of the Kosrae State Treasury for the purpose of
funding law school scholarships.

Section 2. Allottee. All funds appropriated by this act shall be allotted,
managed, administered and accounted for in accordance with applicable laws. The
allottee of the funds appropriated by this act shall be the Governor of the State of
Kosrae who shall be responsible for ensuring that these fund, or so much thereof as
may be necessary, are used solely for the purpose specified in this act, and that no
obligations are incurred in excess of the sum appropriated.

Section 3. Effective Date. This act shall become law upon approval by the
Governor or upon its becoming law without such approval.
PASSED BY THE SEVENTH KOSRAE STATE LEGISLATURE ON THE 7TH DAY OF JULY, 1999.

Higo S. Shrew
Speaker, 7th Kosrae State Legislature

Attested by:

Chief Clerk

Rensley A. Sirrah
Governor, State of Kosrae

Date: July 12, '99
A BILL FOR AN ACT

To appropriate the sum of $122,258 from the Foreign Assistance Fund of the Kosrae State Treasury for the purpose of funding certain US Federal funded programs in the State of Kosrae; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE

Section 1. Appropriation. The sum of $122,258 is hereby appropriated from the Foreign Assistance Fund of the Kosrae State Treasury for the purpose of funding certain US Federal funded programs in the State of Kosrae.

Section 2. Apportionment. The sum appropriated by Section 1 of this act shall be apportioned as follows:

1. Historic Preservation Program $8,434
2. FY-99 Immucination Program $11,275
3. FY-98 JTPA/Adult Program $7,843
4. FY-98 JTPA/Youth Program $10,371
5. FY-98 JTPA/Participant Support $7,335
6. FY-95 School-to-work Program/Implementation Grant $77,000

Section 3. Allottee. All funds appropriated by this act shall be allotted, managed, administered and accounted for in accordance with applicable laws. The allottee of the funds appropriated by this act shall be the Governor of the State of Kosrae who shall be responsible for ensuring that these funds, or so much thereof as may be necessary, are used solely for the purpose specified in this act, and that no obligations are incurred in excess of the sum appropriated.

Section 4. Effective Date. This act shall become law upon approval by the Governor or upon its becoming law without such approval.
PASSED BY THE SEVENTH KOSRAE STATE LEGISLATURE ON THE 8TH DAY OF JULY, 1999.

Hiteo S. Shrew
Speaker, 7th Kosrae State Legislature

Attested by:

Rensley A. Sigrah
Governor, State of Kosrae

Date: 7/21/99
A BILL FOR AN ACT

To amend Kosrae State Code at Title 2, by adding a Chapter 8, to declare the “Trum” to be the State Bird of Kosrae; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE

Section 1. Purpose. The purpose of this act is to declare the “Trum” or “Kosrae White-eye” (Zosterops cinereus cinereus) to be the State Bird of Kosrae.

Section 2. Amendment. Kosrae State Code, Title 2 is hereby amended to add a new Chapter 8 to read as follows:

“Chapter 8. State Bird

Section 2.801. State Bird. The “Trum” or Kosrae White-eye” (Zosterops cinereus cinereus) is the State Bird of Kosrae.”

Section 3. Effective Date. This act shall become law upon approval by the Governor or upon its becoming law without such approval.

PASSED BY THE SEVENTH KOSRAE STATE LEGISLATURE ON THE 8TH DAY OF JULY, 1999.

His Honor:

Speaker, 7th Kosrae State Legislature

Attested by:

Chief Clerk

Governor, State of Kosrae

Date: 7-22-99
A BILL FOR AN ACT

To appropriate the sum of $11,000.00 from the Compact Current Account of the Kosrae State Treasury for the purpose of purchasing fixed assets and supplemental equipment for the ambulance for the Kosrae State Department of Health Services; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE

Section 1. Appropriation. The sum of $11,000.00 is hereby appropriated from the Compact Current Account of the Kosrae State Treasury for the purpose of purchasing fixed assets and supplemental equipment for the ambulance for the Kosrae State Department of Health Services.

Section 2. Allottee. All funds appropriated by this act shall be allotted, managed, administered and accounted for in accordance with applicable laws. The allottee of the funds appropriated by this act shall be the Governor of the State of Kosrae. The allottee shall be responsible for ensuring that these funds, or so much thereof as may be necessary, are used solely for the purpose specified in this act and that no obligations are incurred in excess of the sum appropriated. The authority of the allottee to obligate funds appropriated by this act shall lapse on September 30, 1999. These funds are to be used solely for the purposes described in this act and are not to be reprogrammed in any manner.

Section 3. Effective Date. This act shall become law upon approval by the Governor or upon its becoming law without such approval.
PASSED BY THE SEVENTH KOSRAE STATE LEGISLATURE ON THE 8TH DAY OF JULY, 1999.

Hiteo S. Shrew
Speaker, 7th Kosrae State Legislature

Attested by: Chief Clerk

Rensley A. Sigrin
Governor, State of Kosrae

Date: 7/12/99
A BILL FOR AN ACT

To amend Title 5, Section 5.201, to amend the specific components/divisions of the Department of Health Services; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE

Section 1. Amendment: Kosrae State Code, Title 5, Chapter 2, Section 5.201 is amended to read as follows:

"Section 5.201. Principal departments and components. The Executive has the following departments which have the components indicated below:

(1) The Department of Administration and Finance
   (a) The Division of Personnel and Employment Services
   (b) The Division of Finance and Budget
   (c) The Division of Planning and Statistics
   (d) The Division of Construction and Engineering

(2) The Department of Commerce and Industry
   (a) The Division of Tourism
   (b) The Division of Housing
   (c) The Division of Industrial Development
   (d) The Division of Marketing and Research
   (e) The Division of Consumer Services
   (f) The Division of Foreign Investment

(3) The Department of Education
   (a) The Division of Instructional Services
   (b) The Division of Curriculum Development and Evaluation
   (c) The Division of Facilities and Special Services

(4) The Department of Health Services
   (a) The Division of Curative Services
(b) The Division of Preventive Services
(c) The Division of Administrative Services
(5) The Department of Public Works
(a) The Division of Road Construction and Maintenance
(b) The Division of Airport, Docks and Harbors
(c) The Division of Water Service and Wastewater
Management
(6) The Department of Agriculture, Land and Fisheries
(a) The Division of Livestock Production and Research
(b) The Division of Crop Production and Research
(c) The Division of Land Management and Preservation
(d) The Division of Surveying and Mapping
(e) The Division of Marine Surveillance
(f) The Division of Fisheries Development
(7) The Office of the Attorney General
(a) The Division of Public Safety
(b) The Division of Law
(8) The Office of Community Affairs
(a) The Division of Culture
(b) The Division of Youth, Senior Citizens and Women

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

[Signature]
Hiteo S. Shrew
Speaker, 7th Kosrae State Legislature

[Signature]
Attested by: [Signature]
Chief Clerk

[Signature]
Rensley A. Sigrah
Governor, State of Kosrae

Date: 7/17/99
A BILL FOR AN ACT

To appropriate the sum of $30,000 from the Compact Current Account of the Kosrae State Treasury for the purpose of funding Contractual Services for the Kosrae State Department of Health Services; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE

Section 1. Appropriation. The sum of $30,000 is hereby appropriated from the Compact Current Account of the Kosrae State Treasury for the purpose of funding Contractual Services for the Kosrae State Department of Health Services.

Section 2. Apportionment. The sum appropriated by Section 1 of this act shall be apportioned as follows:

(1) Contractual Services $30,000

Section 3. Allottee. All funds appropriated by this act shall be allotted, managed, administered and accounted for in accordance with applicable laws. The allottee of the funds appropriated and apportioned under Sections 1 and 2 of this act shall be the Governor of the State of Kosrae, who shall ensure that the funds are used for the purpose for which they are appropriated and that no obligations are incurred in excess of the amount appropriated herein. Monies not obligated under this bill shall lapse by September 30, 1999 and revert to the Kosrae State Treasury.

Section 4. Effective Date. This act shall become law upon approval by the Governor or upon its becoming law without such approval.
PASSED BY THE SEVENTH KOSRAE STATE LEGISLATURE ON THE 30TH DAY OF JUNE, 1999.

Hilco S. Shrew
Speaker, 7th Kosrae State Legislature

Attested by: Chief Clerk

Remsley A. Sigrah
Governor, State of Kosrae

Date: 7.27.99
SEVENTH KOSRAE STATE LEGISLATURE
SECOND REGULAR SESSION, 1999

A BILL FOR AN ACT

To appropriate the sum of $85,676 from the Foreign Assistance Fund of the Kosrae State Treasury for the purpose of funding certain US Federal funded programs in the State of Kosrae; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE

Section 1. Appropriation. The sum of $85,676 is hereby appropriated from the Foreign Assistance Fund of the Kosrae State Treasury for the purpose of funding certain US Federal funded programs in the State of Kosrae.

Section 2. Apportionment. The sum appropriated by Section 1 of this act shall be apportioned as follows:

(1) FY-99 Historic Preservation (Operations) $36,250
(2) FY-99 Historic Preservation (Special Project) $25,947
(3) FY-2000 Family Planning Program $23,479

Section 3. Allottee. All funds appropriated by this act shall be allotted, managed, administered and accounted for in accordance with applicable laws. The allottee of the funds appropriated by this act shall be the Governor of the State of Kosrae who shall be responsible for ensuring that these funds, or so much thereof as may be necessary, are used solely for the purpose specified in this act, and that no obligations are incurred in excess of the sum appropriated.

Section 4. Effective Date. This act shall become law upon approval by the Governor or upon its becoming law without such approval.

PASSED BY THE SEVENTH KOSRAE STATE LEGISLATURE ON THE 19TH DAY OF AUGUST, 1999.

Hiteo S. Shrew Speaker, 7th Kosrae State Legislature

Attested by
Chief Clerk

Rensley A. Sigrah Governor, State of Kosrae

Date: 8.28.99
SEVENTH KOSRAE STATE LEGISLATURE
SECOND SPECIAL SESSION, 1999

A BILL FOR AN ACT

To appropriate $12,500 from the Compact Current Account of the Kosrae State Treasury to fund the Kosrae State Liberation Day, September 8th celebration; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE

Section 1. Appropriation. The sum of $12,500 is hereby appropriated from the Compact Current Account of the Kosrae State Treasury to fund the Kosrae State Liberation Day, September 8th celebration.

Section 2. Apportionment. The sum appropriated by Section 1 of this act shall be apportioned as follows:

(a) Lelu $4,500.00
(b) Tafunsak $3,500.00
(c) Malem $2,500.00
(d) Utwe $2,500.00
(e) Pohnpei $150.00
(f) Guam $150.00
(g) Saipan $150.00
(h) Honolulu $150.00
(i) Hilo $150.00
(j) Eheye $150.00

Section 3. Allottee. All funds appropriated by this act shall be allotted, managed, administered and accounted for in accordance with applicable laws. The allottee of the funds appropriated and allocated under Section 2 shall be the Governor of the State of Kosrae, who shall be responsible for ensuring that these funds, or so much thereof as may be necessary, are used solely for the purpose specified in this act, and that no obligations are incurred in excess of the sum.
appropriated.

Section 4. Effective Date. This act shall become law upon approval by the Governor or upon its becoming law without such approval.


Hitoe S. Shrewsbery
Speaker, 7th Kosrae State Legislature

Attested by:
Chief Clerk

Rensley A. Sigrah
Governor, State of Kosrae

Date: 9.6.99
A BILL FOR AN ACT

To amend Sections 7 and 8 of State Law No. 6-189, to provide additional funding from the 211 Current Account of the United States Grant Fund of the Kosrae State Treasury to supplement the operations of the Kosrae State Legislature; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE

Section 1. Purpose. The amend Sections 7 and 8 of State Law No. 6-189 to provide supplemental funding for the operations of the Kosrae State Legislature.

Section 2. Amendment. Sections 7 and 8 of State Law No. 6-189 are hereby amended to read as follows:

"Section 7. Appropriation. Operation of the Legislature. The sum of $572,293 or so much thereof as may be necessary, is appropriated from the Revenue Fund and the sum of $87,588, or so much thereof as may be necessary, is appropriated from the Current Account of the U.S. Grant Fund for the operation of the Legislature for the fiscal year ending September 30, 1999.

Section 8. Apportionment. Operation of the Legislature. The sum appropriated by Section 7 of this act is apportioned as follows:

(1) Legislature

| (a) Personnel       | 17,343 | 206,852 | .0- |
| (b) Travel          | 5,000  | 40,000  | .0- |
| (c) POL             | .0-    | 1,350   | .0- |
| (d) Equipment       | .0-    | 22,240  | .0- |
| (e) Others          | 65,154 | .0-     | .0- |

(2) Senators

| (a) Personnel       | .0-    | 251,851 | .0- |
| (b) Travel          | .0-    | .0-     | .0- |
| (c) POL             | .0-    | .0-     | .0- |
| (d) Equipment       | .0-    | .0-     | .0- |
(3) Standing Committee

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<td>(d) Equipment</td>
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Section 3. Effective Date: This act shall become law upon approval by the Governor or upon its becoming law without such approval.

PASSED BY THE SEVENTH KOSRAE STATE LEGISLATURE ON THE 23RD DAY OF AUGUST, 1999.

Hiteo S. Shrew
Speaker, 7th Kosrae State Legislature

Attested by:

Chef Clerk

Rensley A. Sigrah
Governor, State of Kosrae

Date: 9.9.97
A BILL FOR AN ACT

To appropriate the sum of $5,000 from the Foreign Assistance Fund of the Kosrae State Treasury for the purpose of funding the establishment of a Women’s Center in Kosrae State; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE

Section 1. Appropriation. The sum of $5,000 is hereby appropriated from the Foreign Assistance Fund of the Kosrae State Treasury for the purpose of funding the establishment of a Women’s Center in Kosrae State.

Section 2. Allottee. All funds appropriated by this act shall be allotted, managed, administered and accounted for in accordance with applicable laws. The allottee of the funds appropriated by this act shall be the Governor of the State of Kosrae who shall be responsible for ensuring that these funds, or so much thereof as may be necessary, are used solely for the purpose specified in this act, and that no obligations are incurred in excess of the sum appropriated.

Section 3. Effective Date. This act shall become law upon approval by the Governor or upon its becoming law without such approval.

PASSED BY THE SEVENTH KOSRAE STATE LEGISLATURE ON THE 19TH DAY OF AUGUST, 1999.

Hiro S. Shrew Speaker, 7th Kosrae State Legislature

Attested by

Chief Clerk

Rensley A. Sigran
Governor, State of Kosrae

Date: 9/20/99
A BILL FOR AN ACT

To appropriate the sum of $26,900 from the Foreign Assistance Fund of the Kosrae State Treasury for the purpose of funding certain foreign funded projects in the State of Kosrae; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE

Section 1. Appropriation. The sum of $26,900 is hereby appropriated from the Foreign Assistance Fund of the Kosrae State Treasury for the purpose of funding certain foreign projects in the State of Kosrae.

Section 2. Apportionment. The sum appropriated by Section 1 of this act shall be apportioned as follows:

(1) FY-99 Family Food Production (UNICEF) $3,400
(2) FY-99 Power Extension/Tafunsak Phase II $23,500

Section 3. Allottee. All funds appropriated by this act shall be allotted, managed, administered and accounted for in accordance with applicable laws. The allottee of the funds appropriated by this act shall be the Governor of the State of Kosrae who shall be responsible for ensuring that these funds, or so much thereof as may be necessary, are used solely for the purpose specified in this act, and that no obligations are incurred in excess of the sum appropriated.

Section 4. Effective Date. This act shall become law upon approval by the Governor or upon its becoming law without such approval.

PASSED BY THE SEVENTH KOSRAE STATE LEGISLATURE ON THE 19TH DAY OF AUGUST, 1999.

[Signature]
Speaker, 7th Kosrae State Legislature.

[Signature]
Chief Clerk.

[Signature]
Governor, State of Kosrae.

Date: 9/10/99
A BILL FOR AN ACT

To enact Kosrae State Code Title 18, Chapter 6, Section 18.607 to authorize a cost of living adjustment for Kosrae State employees; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE

Section 1. Purpose. The purpose of this bill is to authorize a cost of living adjustment to be paid to Kosrae State Employees. The amount and distribution of any cost of living adjustment is to be determined by Legislative appropriation for that purpose.

Section 2. Enactment. Kosrae State Code, Title 18, Chapter 6, Section 18.607, is hereby enacted to read as follows:

"Section 18.607. Cost of living adjustment. In addition to any other compensation authorized under this Chapter, an employee is entitled to receive a cost of living adjustment in the amount provided by legislative appropriation for that purpose, if any. A cost of living adjustment provided under this Section is not included in an employee’s base salary and shall be paid bi-weekly."

Section 3. Effective Date. This act shall become law upon approval by the Governor or upon its becoming law without such approval.

PASSED BY THE SEVENTH KOSRAE STATE LEGISLATURE ON THE 10TH DAY OF AUGUST, 1999.

Hitoo S. Shrew Speaker, 7th Kosrae State Legislature

Attested by:    Chief Clerk

Rasley A. Sigrah
Governor, State of Kosrae

Becomes law with signature 9/30/99
A BILL FOR AN ACT

To appropriate the sum of $5,151,618 from the United States Grant Fund; the sum of $1,267,345 from the Revenue Fund; and the sum of $781,456 from the Foreign Assistance Fund for the operations of the Executive, the Legislature, the State Court and certain agencies, and other governmental programs for the Fiscal Year ending September 30, 2000; to establish maximum personnel levels; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE:

Section 1. Appropriation. Operation of the Executive. The sum of $3,265,285, or so much thereof as may be necessary, is appropriated from the Current Account of the United States Grant and the sum of $746,456, or so much thereof as may be necessary, is appropriated from the Foreign Assistance Fund for the operation of the Executive for the fiscal year ending September 30, 2000.

Section 2. Apportionment. Operation of the Executive. The sums appropriated by Section 1 of this act are apportioned as follows:

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<td>11</td>
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<td>13</td>
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<tr>
<td>25</td>
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<td></td>
</tr>
</tbody>
</table>
(b) Travel -0- -0- -0-
(c) POL -0- -0- -0-
(d) Equipment 18,300 -0- -0-
(e) Others 32,000 -0- 8,500

(8) Office of Community Affairs
(a) Personnel 29,020 -0- -0-
(b) Travel -0- -0- -0-
(c) POL -0- -0- -0-
(d) Equipment 1,000 -0- -0-
(e) Others 17,300 -0- -0-

(9) Department of Administration & Finance
(a) Personnel 321,445 -0- -0-
(b) Travel 18,000 -0- -0-
(c) POL -0- -0- -0-
(d) Equipment 5,700 -0- -0-
(e) Others 63,780 -0- -0-

Section 3. Appropriation and Apportionment: Operation of the Executive (Compact Section 221 (b), Special Block Grant Program). The sum of $875,000, or so much thereof as may be necessary, is appropriated from the Compact Section 221 (b), Special Block Grant funds of the United States Grant Fund for the operation of the Executive for the fiscal year ending September 30, 2000. The sum appropriated by this section is apportioned as follows:

(1) Department of Education
(a) Personnel 755,000
<p>| | | | | | |</p>
<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>(b) Travel</td>
<td>-0-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>(c) POL</td>
<td>-0-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>(d) Equipment</td>
<td>-0-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>(e) Others</td>
<td>-0-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>(2) Department of Health Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>(a) Personnel</td>
<td>-0-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>(b) Travel</td>
<td>-0-</td>
<td></td>
<td></td>
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<tr>
<td>8</td>
<td>(c) POL</td>
<td>-0-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>(d) Equipment</td>
<td>-0-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>(e) Others</td>
<td>120,000</td>
<td></td>
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</tr>
</tbody>
</table>

Section 4. Appropriation and Apportionment: Operation of the Executive (Compact Section 212 (b), Special Development Assistance). The sum of $86,200, or so much thereof as may be necessary, is appropriated from the Compact Section 212 (b), Special Development Assistance funds of the United States Grant Fund for the operation of the Executive for the fiscal year ending September 30, 2000. The sum appropriated by this section is apportioned as follows:

(1) Office of the Governor

<p>| | | | | | |</p>
<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>18</td>
<td>(a) Personnel</td>
<td>-0-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>19</td>
<td>(b) Travel</td>
<td>20,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>(c) POL</td>
<td>-0-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>(d) Equipment</td>
<td>-0-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>22</td>
<td>(e) Others</td>
<td>-0-</td>
<td></td>
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</tbody>
</table>

(2) Department of Public Works

<p>| | | | | | |</p>
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</thead>
<tbody>
<tr>
<td>24</td>
<td>(a) Personnel</td>
<td>-0-</td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>1</td>
<td>(b) Travel</td>
<td>0-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>(c) POL</td>
<td>44,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>(d) Equipment</td>
<td>0-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>(e) Others</td>
<td>0-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td><strong>Office of the Attorney General</strong></td>
<td></td>
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</tr>
<tr>
<td>6</td>
<td>(a) Personnel</td>
<td>0-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>(b) Travel</td>
<td>22,200</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>(c) POL</td>
<td>0-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>(d) Equipment</td>
<td>0-</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>10</td>
<td>(e) Others</td>
<td>0-</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

Section 5. Appropriation and Apportionment: (Compact Section 214 (c), Energy Production Assistance). The sum of $684,350, or so much thereof as may be necessary, is appropriated from the Compact Section 214 (c), Energy Production Assistance funds of the United States Grant Fund for the fiscal year ending September 30, 2000. The sum appropriated by this section is apportioned as follows:

1. **Kosrae Utility Authority**
   |   |   |   |
   | 18 | (a) Personnel | 0- |
   | 19 | (b) Travel | 0- |
   | 20 | (c) POL | 506,250 |
   | 21 | (d) Equipment | 0- |
   | 22 | (e) Others | 0- |

2. **Executive**
<p>| | | |
|   |   |   |
| 24 | (a) Personnel | 0- |
| 25 | (b) Travel | 0- |</p>
<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>(c) POL</td>
<td>-0-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>(d) Equipment</td>
<td>-0-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>(e) Others</td>
<td>156,100</td>
<td></td>
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<tr>
<td>4</td>
<td>(3) <strong>Agencies</strong></td>
<td></td>
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<tr>
<td>5</td>
<td>(a) Personnel</td>
<td>-0-</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>(b) Travel</td>
<td>-0-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>(c) POL</td>
<td>-0-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>(d) Equipment</td>
<td>-0-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>(e) Others</td>
<td>12,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>(4) <strong>Legislature</strong></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>11</td>
<td>(a) Personnel</td>
<td>-0-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>(b) Travel</td>
<td>-0-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>(c) POL</td>
<td>-0-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>(d) Equipment</td>
<td>-0-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>(e) Others</td>
<td>10,000</td>
<td></td>
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</tr>
</tbody>
</table>

Section 6. **Appropriation and Apportionment: Operation of the Executive (Compact Section 216 (a) (2)(3), Assistance for Education, Health and Medical Programs).** The sum of $240,783, or so much thereof as may be necessary, is appropriated from the Compact Section 216 Assistance for Education, Health and Medical Programs funds of the United States Grant Fund for the operation of the Executive for the fiscal year ending September 30, 2000. The sum appropriated by this section is apportioned as follows:

1. **Department of Health Services**
   1. (a) Personnel -0-
### Section 7. Appropriation. Operation of the Legislature. The sum of $450,899, 4/5, or so much thereof as may be necessary, is appropriated from the Revenue Fund for the operation of the Legislature for the fiscal year ending September 30, 2000.

### Section 8. Apportionment. Operation of the Legislature. The sum appropriated by Section 7 of the act is apportioned as follows:

<table>
<thead>
<tr>
<th></th>
<th>(1) Legislature</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(a) Personnel</td>
<td>-0</td>
<td>227,350</td>
</tr>
<tr>
<td>18</td>
<td>(b) Travel</td>
<td>-0</td>
<td>40,000</td>
</tr>
<tr>
<td>19</td>
<td>(c) POL</td>
<td>-0</td>
<td>1,350</td>
</tr>
<tr>
<td>20</td>
<td>(d) Equipment</td>
<td>-0</td>
<td>20,000</td>
</tr>
<tr>
<td>21</td>
<td>(e) Others</td>
<td>-0</td>
<td>67,750</td>
</tr>
</tbody>
</table>

|   |                | 2,199,948       | 0               |

<p>|   | (2) Senators   |                |                |
|   | (a) Personnel  | -0              | 251,851         |
| 24| (b) Travel     | -0              | -0             |
| 25|                | -0              | -0             |</p>
<table>
<thead>
<tr>
<th></th>
<th>personnel</th>
<th>-0-</th>
<th>-0-</th>
<th>-0-</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>3Standing Committee</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>(a) Personnel</td>
<td>-0-</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>6</td>
<td>(b) Travel</td>
<td>-0-</td>
<td>50,000</td>
<td>-0-</td>
</tr>
<tr>
<td>7</td>
<td>(c) POL</td>
<td>-0-</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>8</td>
<td>(d) Equipment</td>
<td>-0-</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>9</td>
<td>(e) Others</td>
<td>-0-</td>
<td>-0-</td>
<td>-0-</td>
</tr>
</tbody>
</table>

Section 9. Appropriation. Operation of the State Court. The sum of $159,048, or so much thereof as may be necessary, is appropriated from the Revenue Fund and the sum of $35,000, or so much thereof as may be necessary is appropriated from the Foreign Assistance fund for the operation of the State Court for the fiscal year ending September 30, 2000.

Section 10. Appropriation. Operation of the State Court. The sums appropriated by Section 9 of this act are apportioned as follows:

<table>
<thead>
<tr>
<th></th>
<th>Personnel</th>
<th>133,160</th>
<th>-0-</th>
</tr>
</thead>
<tbody>
<tr>
<td>19</td>
<td>Travel</td>
<td>15,738</td>
<td>-0-</td>
</tr>
<tr>
<td>20</td>
<td>POL</td>
<td>2,500</td>
<td>-0-</td>
</tr>
<tr>
<td>21</td>
<td>Equipment</td>
<td>5,000</td>
<td>-0-</td>
</tr>
<tr>
<td>22</td>
<td>Others</td>
<td>2,700</td>
<td>35,000</td>
</tr>
</tbody>
</table>

Section 11. Appropriation. Operation of Certain Agencies. The sum of $305,482, or so much thereof as may be necessary, is appropriated from the Revenue Fund for the operation of certain agencies for the fiscal...
year ending September 30, 2000.

Section 12. **Apportionment**. **Operation of Certain Agencies**. The sums appropriated by Section 11 of the act are apportioned as follows:

<table>
<thead>
<tr>
<th></th>
<th>The Broadcast Authority</th>
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</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>Personnel</td>
<td>-0-</td>
</tr>
<tr>
<td></td>
<td>Travel</td>
<td>-0-</td>
</tr>
<tr>
<td></td>
<td>POL</td>
<td>-0-</td>
</tr>
<tr>
<td></td>
<td>Equipment</td>
<td>-0-</td>
</tr>
<tr>
<td></td>
<td>Others</td>
<td>-0-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>The Development Review Commission</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(2)</td>
<td>Personnel</td>
<td>-0-</td>
</tr>
<tr>
<td></td>
<td>POL</td>
<td>-0-</td>
</tr>
<tr>
<td></td>
<td>Equipment</td>
<td>-0-</td>
</tr>
<tr>
<td></td>
<td>Others</td>
<td>-0-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>The Land Commission</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(3)</td>
<td>Personnel</td>
<td>-0-</td>
</tr>
<tr>
<td></td>
<td>Travel</td>
<td>-0-</td>
</tr>
<tr>
<td></td>
<td>POL</td>
<td>-0-</td>
</tr>
<tr>
<td></td>
<td>Equipment</td>
<td>-0-</td>
</tr>
<tr>
<td></td>
<td>Others</td>
<td>-0-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>The Parole Board</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(4)</td>
<td>Personnel</td>
<td>-0-</td>
</tr>
<tr>
<td></td>
<td>Travel</td>
<td>-0-</td>
</tr>
<tr>
<td></td>
<td>POL</td>
<td>-0-</td>
</tr>
<tr>
<td></td>
<td>Equipment</td>
<td>-0-</td>
</tr>
</tbody>
</table>

9 of 14
<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>(e) Others</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>2</td>
<td>(5) The Sports Council</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>(a) Personnel</td>
<td>1,260</td>
<td>-0-</td>
</tr>
<tr>
<td>4</td>
<td>(b) Travel</td>
<td>5,050</td>
<td>-0-</td>
</tr>
<tr>
<td>5</td>
<td>(c) POL</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>6</td>
<td>(d) Equipment</td>
<td>6,897</td>
<td>-0-</td>
</tr>
<tr>
<td>7</td>
<td>(e) Others</td>
<td>8,437</td>
<td>-0-</td>
</tr>
</tbody>
</table>

Section 13. Appropriation. The sum of $134,346, or so much thereof as may be necessary, is appropriated from the Revenue Fund for funding certain Governmental programs, grants, and contributions for the fiscal year ending September 30, 2000.

Section 14. Apportionment. The sum appropriated under Section 13 of this act shall be apportioned as follows:

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>10</td>
<td>(1) Retirement Program</td>
<td>75,862</td>
</tr>
<tr>
<td>11</td>
<td>(2) Kosrae Community Action Program</td>
<td>22,484</td>
</tr>
<tr>
<td>12</td>
<td>(3) Micronesian Legal Services Corporation</td>
<td>36,000</td>
</tr>
</tbody>
</table>

Section 15. Allottees.

(1) The allottee of the funds appropriated by Section 1,3,4,5,6; and under Section 11 and allocated under Section 12(4) and
Sections 13 and 14 of this act is the Governor.

(2) The allottee of the funds appropriated by Section 7 of this act is the Speaker.

(3) The allottee of the funds appropriated by Section 9 of this act is the Chief Justice.

(4) The allottee of the funds appropriated by Section 11 and allocated under subsection 12 (1) of this act is the Chairman of the Broadcast Authority.

(5) The allottee of the funds appropriated by Section 11 and allocated under subsection 12 (2) of this act is the Chairman of the Development Review Commission.

(6) The allottee of the funds appropriated by Section 11 and allocated under subsection 12 (3) of this act is the Senior Land Commissioner.

(7) The allottee of the funds appropriated by Section 11 and allocated under subsection (6) of Section 12 is the Chairman of the Kosrae State Scholarship Board.

(8) The allottee of the funds appropriated by Section 11 and allocated under subsection (5) of Section 12 is the Chairman of the Kosrae Sports Council.

Section 16. Reprogramming. Reprogramming is not allowed where the use of the reprogrammed funds would be inconsistent with the conditions or restrictions on the uses of funds specified in the Compact and its related agreements. Subject to this limitation the following is allowed:
(1) The Governor or his designee may reprogram up to 10% of the total amount apportioned to any numbered subsection of Section 2 of this act either to or from any other numbered subsection of Section 2 of this act. The Governor or his designee may reprogram up to 10% of the total amount apportioned to any lettered object class within a numbered subsection of Section 2 of this act to or from any other lettered object class within that same numbered subsection.

(2) The Speaker or his designee may reprogram up to 10% of the total amount apportioned to any numbered subsection of Section 8 of this act either to or from any other numbered subsection of Section 8 of this act. The Speaker or his designee may reprogram up to 10% of the total amount apportioned to any lettered object class within a numbered subsection of Section 8 of this act either to or from any other lettered object class.

(3) The Chief Justice or his designee may reprogram up to 10% of the total amount apportioned to any lettered object class within Section 10 of this act either to or from any other lettered object class within Section 10.

(4) Each allottee identified in subsections 15(4), and subsections 15(5) and 15(6) of this act, or his designee, may reprogram up to 10% of the total amount apportioned to any lettered object class of the numbered subsection of Section 12 for which he is the allottee, either to or from any other lettered object class of the same numbered subsection.

Section 17. Maximum Personnel Levels. Maximum personnel levels funded by this act for the fiscal year ending September 30, 2000.
are:

(1) **The Executive**

(a) Office of the Governor 9
(b) The Department of Agriculture, Land & Fisheries 45
(c) The Department of Commerce & Industry 23
(d) The Department of Education 218
(e) The Department of Health Services 79
(f) The Department of Public Works 44
(g) Office of the Attorney General 33
(h) Office of Community Affairs 8
(i) The Department of Administration & Finance 33

(2) **The Legislature**

19

(3) **The State Court**

11

(4) **Agencies**

(a) The Broadcast Authority 10
(b) The Development Review Commission 5
(c) The Executive Services Appeals Board 0
(d) The Land Commission 30
(e) The Parole Board 0
(f) The Sports Council 4
(g) The Scholarship Board 1

Maximum personnel levels include permanent positions, limited term positions, and positions filled by contract for a term of more than one year. No funds appropriated by this act may be allotted, obligated or expended to pay salary or benefits for a position which was not
established and filled in compliance with applicable laws and regulations.

Section 18. Reversion. Any portion of the sums appropriated by this act not obligated by September 30, 2000 reverts to the Fund from which appropriated.

Section 19. Effective Date. This act shall take effect upon approval by the Governor or upon its becoming law without such approval.

PASSED BY THE SEVENTH KOSRAE STATE LEGISLATURE ON THE 19TH DAY OF AUGUST, 1999.

Hiteo S. Shrew
Speaker, 7th Kosrae State Legislature

Attested by:

Chief Clerk

Rensley A. Sigrah
Governor, State of Kosrae.

Date: 7/11/99
A BILL FOR AN ACT

To amend Kosrae State Code, Title 13, by adding a new section, to establish time limitations for beginning prosecutions of crimes; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE

Section 1. Amendment. Kosrae State Code, Title 13 is hereby amended by adding a new section to read as follows:

"Section 13.106. Time limitations for beginning prosecutions.

(1) A prosecution for murder may be commenced at any time.

(2) Except as otherwise provided in this Code, prosecution for other offenses are subject to the following time limitations:

   (a) A prosecution for a felony must be commenced within three years after it is committed.

   (b) A prosecution for a misdemeanor must be commenced within one year after it is committed.

(3) If the time limitation set forth in subsection (2) of this section has expired, a prosecution may nevertheless be commenced for:

   (a) Any offense, an element of which is either fraud or a breach of fiduciary obligation, within one year of discovery of the offense by the aggrieved party or by a person who has a legal duty to represent an aggrieved party and who is himself not a party to the offense, but in no case shall this provision extend the period of limitation otherwise applicable by more than three years; or

   (b) Any offense based on misconduct in office by a public officer or employee at any time when the defendant is in public office or employment or within two years thereafter, but in no case shall this provision extend the period of limitation otherwise applicable by more than three years.

(4) The time limitation does not run:
(a) During any time when the accused is continuously absent
from the complaining jurisdiction or has no reasonably determinable place of abode
or work within the jurisdiction; or

(b) During any time when a prosecution against the accused
for the same conduct is pending in this jurisdiction.

(5) A prosecution is commenced when an information is filed in
Court."

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

PASSED BY THE SEVENTH KOSRAE STATE LEGISLATURE ON THE 1ST DAY OF SEPTEMBER,
1999.

Hiteo S. Shrew
Speaker, 7th Kosrae State Legislature

Attested by:
Chief Clerk

Rensley A. Sigrah
Governor, State of Kosrae

Date: 9/28/99
A BILL FOR AN ACT

To amend Kosrae State Code Title 13, Chapter 5, Section 13.508; to clarify that any violation of Section 13.508 is a category three misdemeanor; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE

Section 1. Purpose. The purpose of this bill is to amend Kosrae State Code, Title 13, Chapter 5, Section 13.508; to clarify that any violation of Section 13.508 is a category three misdemeanor.

Section 2. Amendment. Kosrae State Code, Title 13, Chapter 5, Section 13.508 is hereby amended to read as follows:

"Section 13.508. Offensive behavior in a public place. Offensive behavior in a public place is:

(1) fighting or challenging another person to a fight in a public place; or

(2) using words in a public place which are calculated to provoke an immediate violent reaction.

Offensive behavior in a public place is a category three misdemeanor."

Section 3. Effective Date. This act shall become law upon approval by the Governor or upon its becoming law without such approval.

PASSED BY THE SEVENTH KOSRAE STATE LEGISLATURE ON THE 31ST DAY OF AUGUST, 1999.

Hiteo S. Shrew
Speaker, 7th Kosrae State Legislature

Attested by

Chief Clerk

Rensley A. Sigrah
Governor, State of Kosrae

Date: 09/28/99
A BILL FOR AN ACT

To repeal S. L. 5-198, Section 2; to enact Kosrae State Code Title 4, Chapter 3, Section 4.304; Title 5, Chapter 5, Section 5.508; and Title 6, Chapter 12, Section 6.1206; to authorize the payment of representation funds to certain State officials; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE

Section 1. Purpose. The purpose of this bill is to provide for representation funds for certain State officials to be used solely for reimbursement of expenses incurred while performing official duties.

Section 2. Repeal. S. L. 5-198, Section 2, is hereby repealed in its entirety.

Section 3. Enactment. Kosrae State Code, Title 4, Chapter 3, Section 4.304 is hereby enacted to read as follows:

"Section 4.304. Representation funds. In addition to compensation provided by this Chapter, a Senator is entitled to receive reimbursement for actual expenses incurred in the performance of the duties of the office to the extent funds are appropriated for that specific purpose.

(1) Reimbursement is not available under this Section for personal or political expenditures. Reimbursement is not available under this Section if the expense is reimbursable from any other source, including sources other than the State.

(2) Funds may be provided to a Senator only after presentation of evidence of the amount of expenses and documentation that the expenses were incurred in the performance of official duties. Any permanent physical items for which reimbursement is provided under this Section become the property of the State.

(3) The Director of Administration and Finance shall provide a monthly report to the Speaker for all expenses for which reimbursement is provided under this Section. The Speaker is the final arbiter of any dispute regarding a claim.
for reimbursement under this Section.

(4) The Kosrae State Legislature shall develop Rules of
Procedure for the reimbursement of expenses and documentation requirements."

Section 4. Enactment. Kosrae State Code, Title 5, Chapter 5, Section 5.508 is
hereby enacted to read as follows:

"Section 5.508. Representation funds. In addition to compensation
provided by this Chapter, the Governor and Lieutenant Governor are entitled to
receive reimbursement for actual expenses incurred in the performance of the
duties of their offices to the extent funds are appropriated for that purpose.

(1) Reimbursement is not available under this Section for
personal or political expenses. Reimbursement is not available under this Section if
the expense is reimbursable from any other source, including sources other than
the State.

(2) Funds may be provided to the Governor or Lieutenant
Governor only after presentation of evidence of the amount of expenses and
documentation that the expenses were incurred in the performance of official
duties. Any permanent physical items for which reimbursement is provided under
this Section become the property of the State.

(3) The Director of Administration and Finance shall provide a
monthly report to the Governor of expenses for which reimbursement is provided
under this Section. The Governor is the final arbiter of any dispute regarding a
claim for reimbursement under this Section and shall adopt internal rules or
regulations regarding the reimbursement procedure."

Section 5. Enactment. Kosrae State Code, Title 6, Chapter 12, Section 6.1206 is
hereby enacted to read as follows:
"Section 6.1206. Representation Funds. In addition to compensation provided by this Chapter, the Chief Justice and Associate Justices are entitled to receive reimbursement for actual expenses incurred in the performance of the duties of their offices to the extent funds are appropriated for that purpose.

(1) Reimbursement is not available under this Section for personal or political expenses. Reimbursement is not available under this Section if the expense is reimbursable from any other source, including sources other than the State.

(2) Funds may be provided to the Chief Justice or an Associate Justice only after presentation of evidence of the amount of expenses and documentation that the expenses were incurred in the performance of official duties. Any permanent physical items for which reimbursement is provided under this Section become the property of the State.

(3) The Director of Administration and Finance shall provide a monthly report to the Chief Justice of expenses for which reimbursement is provided under this Section. The Chief Justice is the final arbiter of any dispute regarding a claim for reimbursement under this Section and shall adopt internal rules or regulations regarding the reimbursement procedure."

Section 6. Effective Date. This act shall become law upon approval by the Governor or upon its becoming law without such approval.


Hilego S. Shrew
Speaker, 7th Kosrae State Legislature

Attested by:

Rensley A. Sigrah
Governor, State of Kosrae
A BILL FOR AN ACT

To appropriate the sum of $141,000.00 from the Revenue Fund of the Kosrae State Treasury to fund certain Department of Education projects; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE

Section 1. Appropriation. The sum of $141,000.00, or so much thereof as may be necessary, is hereby appropriated from the Revenue Fund of the Kosrae State Treasury for the purpose of funding certain capital projects for the Department of Education.

Section 2. Apportionment. The sum appropriated by Section 1 of this act shall be apportioned as follows:

(a) Tafunsak Elementary School Second Phase $45,000.00
(b) Kosrae High School Restrooms $30,000.00
(c) Malem Elementary Classroom Renovation $25,000.00
(d) Sansrik Elementary School Learning Resource Center $20,000.00
(e) Utwa Elementary School Fencing $12,000.00
(f) Former Science Lab (Tofol) Renovation $5,000.00
(g) Maintenance of Classroom spaces $5,000.00

Section 3. Allottee. All funds appropriated by this act shall be allotted, managed, administered and accounted for in accordance with applicable laws. The allottee of the funds appropriated and allocated under Section 2 shall be the Governor of the State of Kosrae, who shall be responsible for ensuring that these funds, or so much thereof as may be necessary, are used solely for the purpose specified in this act, and that no obligations are incurred in excess of the sum appropriated.

Section 4. Effective Date. This act shall become law upon approval by the Governor or upon its becoming law without such approval.
PASSED BY THE SEVENTH KOSRAE STATE LEGISLATURE ON THE 30TH DAY SEPTEMBER, 1999.

Hiteo S. Shrew
Speaker, 7th Kosrae State Legislature

Attested by:

Chief Clerk

Remaley A. Sigrah
Governor, State of Kosrae

Date: 10-4-99
A BILL FOR AN ACT

To appropriate the sum of $3,157,600.00 from the Compact Capital Account of the Kosrae State for implementation of the Public Sector Investment Program; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE:

Section 1. Appropriation. The sum of $3,157,600.00 is hereby appropriated from the Compact Capital Account for implementation of the Public Sector Investment Program for the Fiscal Year ending September 30, 2000.

Section 2. Apportionment. The sum appropriated by Section 1 of this act is apportioned as follows:

<table>
<thead>
<tr>
<th>Project</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Road Development</td>
<td>2,887,600</td>
</tr>
<tr>
<td>Land Acquisition</td>
<td>100,000</td>
</tr>
<tr>
<td>Building Maintenance Program</td>
<td>100,000</td>
</tr>
<tr>
<td>Manpower Development Program</td>
<td>40,000</td>
</tr>
<tr>
<td>Project Administration</td>
<td>30,000</td>
</tr>
</tbody>
</table>

Section 3. Allottee. The allottee of the sums appropriated by this act is the Governor.

Section 4. Reprogramming. The Governor or his designee may reprogram funds among the projects identified in Section 2 of this act in an amount not exceeding ten (10) percent of any project total.

Section 5. Reversion. Any portion of the sums appropriated by this act not obligated by September 30, 2001 reverts to the fund from which appropriated.

Section 6. Effective Date. This act shall take effect upon approval by the Governor or upon its becoming law without such approval.
PASSED BY THE SEVENTH KOSRAE STATE LEGISLATURE ON THE 9TH DAY OF SEPTEMBER, 1999.

Mileo S. Shrew
Speaker, 7th Kosrae State Legislature

Attested by:
Chief Clerk

Rensley A. Sigrah
Governor, State of Kosrae

Date: 10-9-79
A BILL FOR AN ACT

To amend Title 18 of the Kosrae State Code at Chapters 1-6 in order to unify the actions of the three branches included in the Kosrae State Public Service System; to make technical changes for consistency and clarification; to create an oversight board to monitor and control Public Service System policy and procedures; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE

Section 1. Purpose. To amend the Public Service System for the State of Kosrae in order to create a unified system for all state government employees. This bill will make necessary technical changes to the Public Service System for clarification and consistency.

Section 2. Amendment. Section 18.102 of Title 18 of the Kosrae State Code is hereby amended to read as follows:

"Section 18.102. Definitions. In this Title, unless the context requires otherwise, the following definitions shall apply:

(1) "Adjusted base salary" means the total of base salary plus market place premiums and foreign service premiums. If an employee is not entitled to either of these premiums, his adjusted base salary means his base salary.

(2) "Base salary" means the specific rate of pay for a given pay level and step as contained within the base salary schedule established by law. Base salary does not include differentials, premiums, or other allowances for night work, transfer, overtime, holiday work, travel per diem, or other similar compensation or reimbursement.

(3) "Branch Head" means the head of each of the respective three branches of government: Governor for the Executive, Speaker for the Legislature and Chief Justice for the Judiciary. For purposes of this Title, 'Executive' includes Kosrae State Government..."
agencies, but does not include any authority, publicly financed enterprise or public corporation granted authority to retain and terminate employees upon such terms and conditions as it deems appropriate.

(4) "Class" or "class of positions" means a group of positions sufficiently similar so that all can reasonably be identified by the same title, be filled by applying the same qualification standards, and be equitably compensated by the same salary level. A class may consist of only one position or any greater number of positions.

(5) "Director" means the Director of the Department of Administration and Finance.

(6) "Eligible list" means a list of persons who have been found qualified for appointment to a position in a particular class. Such a list may be either reemployment, promotional, or open-competitive.

(7) "Eligible person" or "eligible" means a person whose name is on an active eligible list.

(8) "Employee" means a person holding a position in the public service, whether permanently or otherwise.

(9) "Management official" or "management" means a supervisor of a division, Branch Head or other person authorized to make appointments or changes in status of employees in public service.

(10) "Open-competitive examination" means an examination for positions in a particular class, admission to which is
not limited to persons employed in the public service.

(11) "Open-competitive list" means a list of persons who have been found qualified by open-competitive examination for appointment to a position in a particular class.

(12) "Oversight Board" means a three member board consisting of each Branch Head, or their designee, that will create and control policy and promulgate rules and regulations for the Public Service System.

(13) "Position" means a group of duties and responsibilities assigned by the respective management official to be performed by one person, working full-time or part-time. A position may be either occupied or vacant.

(14) "Position Classification plan" means the arrangement in a systematic order of the titles of all classes existing in the public service, with a description of each class, as agreed to by the Oversight Board.

(15) "Probation Period" means a period of probationary employment status of not less than 6 months nor more than 1 year from the beginning of an employee’s service in a particular position or class in the public service.

(16) "Promotional examination" means an examination for positions in a particular class, admission to which is limited to regular employees in the public service.

(17) "Promotional list" means a list of persons who have been found qualified by a promotional examination for
appointment to a position in a particular class.

(18) "Public service" means all offices and other
positions in the Government of the State of Kosrae not exempted by
Section 18.107 of this Chapter.

(19) "Reemployment list" means a list of persons who
have been regular employees in the public service and who are entitled
to have their names certified for appointment to a position in the class
in which they last held permanent status, or in a related class in the
same or a lower salary range for which they meet the qualification
requirements.

(20) "Regular employee" or "permanent employee"
means an employee who has been appointed to a position in the public
service and who has successfully completed a probation period."

Section 3. Amendment. Section 18.202 of Title 18 is hereby
repealed in its entirety and replaced with the following:

Service System is applicable to all branches of the State Government.
Application and administration of the State Public Service System will
be through a cooperative effort of the Branch Heads, the Oversight
Board, and the Director. The Oversight Board shall create and control
policy and promulgate rules and regulations for the State Public
Service System by unanimous consent. The Branch Heads, or the
Branch Head’s designee, is responsible for all hiring decisions,
disciplinary actions, suspensions, terminations, reduction in force,
promotion, administrative directives, and other specific decisions
which affect their branch of government and are not inconsistent with
Title 18 or the policies, rules and regulations adopted by the Oversight
Board. The Director shall be responsible for administering the public
service system consistent with Title 18 and the policies, rules and
regulations adopted by the Oversight Board.

The Director shall maintain a current roster of all employees of
the State Public Service System indicating the duties of each employee,
the class of position held, the salary, and any other appropriate data.
The Oversight Board shall approve the position classification plan that
identifies class specifications for each class within the State Public
Service System, including appropriate pay levels.

The Oversight Board shall approve the system of performance
evaluation to be administered and utilized for appraising the
productivity of the employees in the State Public Service System. The
Branch Heads shall utilize the performance evaluations for employees
within their respective branches and transmit them to the Director for
administrative purposes.

The Oversight Board shall approve the system of recruitment
and selection procedures and methods to be administered for
employment in the State Public Service System. The Director shall
administer the system of recruitment and selection consistent with
Title 18 and the policies, rules and regulations adopted by the
Oversight Board.”

Section 4. Amendment. Section 18.302 of Title 18 of the Kosrae
State Code is hereby repealed in its entirety and replaced with the
following:

"Section 18.302. Position classification. The position classification plan shall classify all positions subject to the provisions of the State Public Service System according to their duties and responsibilities and shall be grouped into classes on the basis of their similarities in duties, and responsibilities and desirable qualifications. In preparing the position classification plan, the Director shall consult with the appropriate Branch Head and/or the management official. The Oversight Board shall approve and adopt any position classification plan, including any reclassification plans, by unanimous consent."

Section 5. Amendment. Section 18.303 of Title 18 of the Kosrae State Code is hereby amended to read as follows:

"Section 18.303. Examinations.

(1) General Character. There shall be competitive examinations, whenever possible and as determined by the Branch Heads, or as required in the position classification plan, to test the relative fitness of candidates for public service positions covered by this Act. Examinations may be written, oral, performance or any combination thereof, and shall provide for ascertaining the physical and educational qualifications, experience, knowledge, and skill of applicants and their relative capacity and fitness for the duties of the positions they seek. All examinations shall be free and, except for promotional examinations, shall be open to all candidates, but with such limitations in regard to health, physical condition, education,
training, experience, and other relevant matters as are appropriate to
the class for which the examination is given. All examinations shall be
administered by the Director, or such person as he may designate, to
administer them. All persons who have passed an examination may
be required to take such physical examination as may be specified by
the Director.

(2) Promotional Examination. Examinations may
be promotional whenever, in the opinion of the Branch Head, such
examinations are practical and for the best advantage of public
service. The Director shall give ample notice of any promotional
examination.

(3) Open-Competitive Examination. Examinations
shall be open-competitive whenever, in the opinion of the Branch
Head, such examinations are practical and for the best advantage of
the public service. The Director shall give ample notice of any open-
competitive examination.

(4) Noncompetitive Examination. Noncompetitive
examinations may be given when, in the opinion of the Branch Head,
the class for which the examination is to be given calls for special
qualifications which could not practically be evaluated through
competition, or when the number of qualified candidates does not
exceed the number of vacancies to be filled."

Section 6. Amendment. Section 18.304 of Title 18 of the Kosrae
State Code is hereby amended to read as follows:

"Section 18.304. Eligible lists.
(1) General. The Director shall establish and maintain separate eligible lists for all classes in which vacancies exist or are anticipated. Eligible lists may be open-competitive, promotional or reemployment registration. An eligible list may remain active for 1 year, except that the name of a person otherwise eligible may remain on a reemployment list for 3 years. The active life of an open competitive or promotional list may be extended by the Director if candidates thereon remain available and there are more vacancies to be filled than names on the list.

(2) Reemployment Lists. Whenever any employee who has been performing his duties in a satisfactory manner, as shown by the appropriate records, is laid off or demoted because of lack of work or lack of funds, or has voluntarily accepted a position in a lower class, or whenever such an employee's position has been reclassified to a lower class, he shall have the right to have his name registered on the appropriate reemployment list for a period of 3 years thereafter by filing a written application for registration. Such application form shall be provided to him at the time of notification of adverse personnel action. A person on a reemployment list shall be eligible for certification to positions in the class in which he last held permanent status or in a related class, in the same or a lower salary range, for which he meets qualification requirements."

Section 7. Amendment. Section 18.305 of Title 18 of the Kosrae State Code is hereby amended to read as follows:

"Section 18.305. Filling of vacancies. All vacancies and new
positions in the public service shall be filled in the following manner:

(1) Whenever there is a position to be filled, the management official or supervisor shall ask the Director to submit a list of persons eligible for the position. The Director shall thereupon certify a list of all eligible applicants in the following order: first, re-employment lists; second, promotional lists, and third, open-competitive lists. The management official shall make the appointment from the list of eligibles submitted to him unless he finds no person available and acceptable to him on the list, in which case he will ask the Director to certify a new list.

(2) A management official may fill a vacant position in his department, office or other agency by promoting any regular employee therein without examination, if the employee meets the minimum class qualifications of the position to which he is to be promoted, and if the position is in the same series as the position held by the employee or is clearly an upward progression in the same career-ladder of positions; provided that a qualified employee who is an FSM citizen and resident of Kosrae State shall be given preference for promotion over a noncitizen, nonresident employee; and provided further, that when there is no material difference between the qualifications of employees holding the same citizenship status, the employee with the longest public service will receive first consideration for promotion.”

Section 8. Amendment. Section 18.307 of Title 18 of the Kosrae State Code is hereby amended to read as follows:
“Section 18.307. Provisional and short term employment.

(1) Provisional Appointment. When there is no eligible person available on a list appropriate for filling a vacancy in a continuing position and the public interest requires that it be filled before eligibles can be certified, the Branch Head may authorize the filling of the vacancy through provisional appointment. The Branch Head shall communicate to the Director the need for an examination. The Director shall proceed without delay to announce an examination to fill the vacancy. The provisional appointment shall be made only to a person who meets the minimum requirements for the position and their appointment may continue only for such period as may be necessary to make an appointment from an eligible list but shall not extend beyond 90 days; provided that the Branch Head may extend the provisional appointment for a maximum of 90 additional days if an examination has failed to secure an eligible person.

(2) Emergency Appointment. To prevent the stoppage of essential public business, management officials may make emergency appointments, not to exceed 10 working days, to fill positions temporarily in any serious emergency when time is insufficient to follow normal appointment procedure. The Branch Head may, for good and sufficient cause stated in writing by the management official concerned and to the Director, extend the appointment for an additional period not to exceed 20 working days.

(3) Qualifications. Provisional and temporary appointees must meet the qualification requirements for the class of the
position to be filled."

Section 9. Amendment. Section 18.308, subsection (1) of Title 18 of the Kosrae State Code is hereby amended to read as follows:

"Section 18.308. Probationary service.

(1) Every employee shall successfully serve a probation period before becoming a regular employee. An employee whose services are unsatisfactory during his probation period may be dismissed from the public service at any time by the responsible management official. An employee so dismissed shall have no right of appeal; but if the employee so requests, the Branch Head may, in his discretion, request the Director to insert the employee's name on the eligible list or lists for other positions in the same class."

Section 10. Amendment. Section 18.401 of Title 18 of the Kosrae State Code is hereby amended to read as follows:

"Section 18.401. Performance evaluations. The Oversight Board shall develop a system of performance evaluation for the purpose of appraising the productivity of employees in the public service. Each management official shall rate each employee under his jurisdiction at least once a year. The Director shall standardize performance evaluation criteria for the same class in various Branches and develop evaluating procedures subject to the approval of the Oversight Board. The Branch Head shall certify all final evaluations. A copy of each evaluation shall be given to the employee affected, a copy shall be retained by the Branch Head and the original kept in the Director's personnel files. The management official shall give written notification
to any employee whose performance in his position is substandard. Performance evaluations shall be used in determining eligibility for retention status in reduction-in-force, promotions, change in duties/reallocation decisions, transfers, change in status (as from probation to permanent, temporary to permanent, etc.) and step increases.”

Section 11. **Amendment** Section 18.404 of Title 18 of the Kosrae State Code is hereby amended to read as follows:

“Section 18.404. **Grievances.** The Oversight Board shall publish and enact regulations which prescribe a system for hearing the views of employees on their working conditions, status, pay and related matters, and for hearing and adjudicating grievances of any employee or group of employees. These regulations shall ensure that employees are free from coercion, discrimination, and reprisals and that they may have representatives of their choice.

Section 12. **Amendment.** Section 18.405 of Title 18 of the Kosrae State Code is hereby repealed in its entirety and replaced with the following:

“Section 18.405. **Leaves of absence.** Branch Heads, or other appropriate management officials, may grant leaves of absence, with or without pay, pursuant to regulations adopted by the Oversight Board.”

Section 13. **Amendment.** Section 18.406 of Title 18 of the Kosrae State Code is hereby amended to read as follows:

“Section 18.406. **Resignation.** Resignations shall be in writing. If an employee ceases work without explanation for more than
6 consecutive working days, the management official shall file with the
Branch Head and the Director a statement showing termination of
employment because of abandonment of position. The management
official shall promptly transmit a copy of the statement to the employee
by the most practical means."

Section 14. Amendment. Section 18.407 of Title 18 of the Kosrae
State Code is hereby amended to read as follows:

"Section 18.407. Reduction in force. The Oversight Board
shall develop and promulgate regulations, directives or rules to govern
the conditions under which an employee shall be laid off from his
position when lack of work or lack of funds make such action necessary.
In establishing such order of layoff, consideration shall be given, first, to
the employee's individual merit, as shown by performance evaluations;
second, to his qualifications of education, training and experience; third,
to his seniority as measured by total creditable service."

Section 15. Amendment. Section 18.408 of Title 18 of the Kosrae
State Code is hereby amended to read as follows:

"Section 18.408. Retirement. An employee is not older than
sixty years of age. Subject to appropriation, an employee who has
worked eighteen quarters for the public service and has retired from
said employment after reaching fifty-five years of age may be eligible
for pension benefits until he reaches sixty years of age. The Director
shall transmit to the Legislature, no later than September 1 of each
year, a bill to appropriate the estimated amount of funds to be needed
for the upcoming fiscal year, using for their estimate the rate of
monthly benefits available to Social Security retirement beneficiaries.”

Section 16. Amendment. Section 18.409 of Title 18 of the Kosrae
State Code is hereby added to read as follows:

“Section 18.409. Personnel Records. The official personnel
records of all employees, whatever their type of status, shall be
maintained in one location with the Director and safeguarded for
confidentiality. The Director shall provide a copy of the personnel
records to the Speaker of the Legislature and the Chief Justice of the
Kosrae State Court for the employees of their respective branches. The
Director shall provide any employee a copy of their personnel records
after a written request has been made.”

Section 17. Amendment. Section 18.501 of Title 18 of the Kosrae
State Code is hereby amended to read as follows:

“Section 18.501. Suspension. A management official may,
for disciplinary purposes, suspend any employee without pay for such
length of time as he considers appropriate but not to exceed 30 days at
any one time or 60 days in any 12 month period. The management
official shall transmit written notice to the Director upon suspension of
an employee. No single suspension for a period of more than 3 working
days, whether consecutive or not, shall take effect until the
management official transmits to the employee, by the most practical
means, a written notice setting forth the specific reasons for the
suspension and the employee's right to appeal. A copy of the notice
shall be filed with the Branch Head and the Director without delay.

With the approval of the Branch Head, an employee may be suspended
for a period longer than 30 days pending the investigation of any
charge against him. When an employee has been suspended pending
such an investigation and the charge is subsequently dropped, he shall
be reinstated in his position with full pay and benefits retroactive to the
date of suspension."

Section 18. Amendment. Section 18.502 of Title 18 of the Kosrae
State Code is hereby amended to read as follows:

"Section 18.502. Dismissal; demotion. A management
official may, for disciplinary reasons, dismiss or demote an employee
when he determines that the good of the public service will be served
thereby. Demotions may also be made for reasons other than
disciplinary ones; regulations, rules or directives shall specify the
circumstances in which such demotions may be authorized. No
dismissal or demotion of a permanent employee shall be effective for
any purpose until the management official transmits to the employee,
by the most practical means, a written notice setting forth the specific
reasons for the dismissal or demotion and the employee's rights of
appeal. A copy of the notice shall be filed with the Branch Head and
with the Director without delay."

Section 19. Amendment. Section 18.503 of Title 18 of the Kosrae
State Code is hereby amended to read as follows:

"Section 18.503. Appeals Panel. Each Branch Head shall
appoint not fewer than five persons to constitute a panel from which ad
hoc hearing committees may be drawn for the purposes set forth in this
Title. Each person shall be appointed for a two year term. The Branch
Head may remove any of his appointments for cause. Persons appointed shall be nonexempt employees of the Kosrae State Government, of mature judgment and experience. The panel should include at least one member from each of the three branches of government.”

Section 20. Amendment. Section 189.504 of Title 18 of the Kosrae State Code is hereby amended to read as follows:

“Section 18.504. Appeals Process. Any regular employee who is suspended for more than the 3 working days, demoted, or dismissed may appeal to the Branch Head or his designee within 15 calendar days after written notice of the suspension, demotion or dismissal has been transmitted to him. Any regular employee who has a grievance which has been handled pursuant to the grievance procedure as set forth in regulations to be promulgated by the Oversight Board, and who is still unsatisfied with the final decision may appeal to the Appeals Board pursuant to the applicable regulations. Upon receiving such appeal, the Branch Head, or his designee, shall form an ad hoc hearing committee of three members, drawn from the panel established under Section 18.503 of this Chapter.

(1) The ad hoc committee shall comprise one member chosen by the Branch Head, one chosen by the appellant, and a third chosen jointly by the first two members. If the first two members are unable to agree on the choice of a third member, the third member shall be selected by lot from among the remaining members of the panel.
(2) No member of an ad hoc committee shall be an officer or employee of the division the appellant was or is assigned, or a close relative of either appellant or the responsible management official.

(3) Members of the ad hoc committee shall not be entitled to additional compensation for such service, but shall be reimbursed for necessary expenses connected with any hearings to which they are assigned.

Section 21. Amendment. Section 18.505 of Title 18 of the Kosrae State Code is hereby amended to read as follows:

"Section 18.505. Hearing.

(1) The hearing shall be held within 15 calendar days after the Branch Head receives the Appeal, unless the appellant requests a delay. At the hearing, the appellant and the responsible management official shall each have a right to be heard, to present evidence, to be confronted by the adverse witnesses, and to be represented by counsel of his own choosing.

(2) At the hearing, technical rules of evidence shall not apply and evidence shall be taken stenographically or by a recording machine. The committee shall on its own motion or on that of the Branch Head of the appellant, management official or appellant, subpoena witnesses and tangible evidence, when such witness or evidence are relevant and material to the hearing. Hearings shall be public except when the appellant requests a closed hearing."

Section 22. Amendment. Section 18.506 of Title 18 of the Kosrae State Code is hereby amended to read as follows:
“Section 18.506. Recommendations. The committee shall prepare a full written statement of its findings of fact and its recommendations for action within 7 calendar days after the close of the hearing. Its recommendations may include modification or reversal of the disciplinary action, from which appeal was taken. They shall forthwith transmit that statement, with such supporting documentation as it deems appropriate, to the appropriate Branch Head and the Director. The decision of the Branch Head and the Director shall be final. The Branch Head shall transmit a copy of his decision to the Director and the Appellant.”

Section 23. Amendment. Section 18.601, subsection (1) of Title 18 of the Kosrae State Code is hereby amended to read as follows:

“Section 18.601. Salary schedule.

(1) There shall be a single salary schedule for all employees and positions in the public service. The Director shall assign each class of positions to an appropriate salary level of such schedule based on the position classification plan adopted by the Oversight Board.”

Section 24. Amendment. Section 18.602 of Title 18 of the Kosrae State Code is hereby amended to read as follows:

“Section 18.602. Periodic review of plan. The Oversight Board shall periodically conduct necessary and appropriate studies of rates of compensation and pay-related practices in all geographic areas from which employees for the public service are normally recruited and shall adopt such amendments to the existing
compensation plan as the Oversight Board deems appropriate; provided that when the amendment includes changes in the salary schedule, the rates or nature of differentials or allowances, or other subjects covered in this Title or in other laws, the Oversight Board shall review the recommendations for transmittal to the Legislature for its consideration, and that such amendment shall become effective only after it has been enacted into law. In developing amendments, the Oversight Board shall give consideration to:

(1) the minimum standard of living which is compatible with decency and health;
(2) the general economic conditions of Kosrae State;
(3) compensation practices and conditions of appropriate labor markets;
(4) conditions of employment in the Kosrae State Public Service System;
(5) the financial resources estimated to be available to the State government; and
(6) such other matters as the Branch Heads may deem appropriate."

Section 25. Amendment. Section 18.604, subsection (6) of Title 18 of the Kosrae State Code is hereby amended to read as follows:

"(6) Standby Differential. An employee whose position requires him to remain in standby status or on call, subject to call at any time, for a regularly scheduled period of 8 or more hours in excess of a normal workweek, and who, in fact is frequently called during
this period of scheduled standby, shall be entitled to a differential of twenty percent (20%) of the adjusted base salary."

Section 26. Applicability. Each branch of the Kosrae State Government shall continue to operate under their existing rules and regulations for a period of time not to exceed ninety (90) days from the effective date of this bill. The Oversight Board shall meet and promulgate rules and regulations required to implement this bill within the 90-day period. All rules and regulations adopted by the Oversight Board require the unanimous consent of the Board members.

Section 27. Effective Date. This act shall take effect upon approval by the Governor or upon its becoming law without such approval.

PASSED BY THE SEVENTH KOSRAE STATE LEGISLATURE ON THE 28TH DAY OF SEPTEMBER, 1999

Hiteo S. Shrew Speaker, Kosrae State Legislature

Attested by:

Chief Clerk

Rensley A. Sigrah Governor, State of Kosrae

Date: 10-6-99
SEVENTH KOSRAE STATE LEGISLATURE
SECOND REGULAR SESSION, 1999

A BILL FOR AN ACT

To appropriate the sum of $316,500 from the Foreign Assistance Fund of the Kosrae State Treasury for the purpose of funding certain US Federal funded FY99-OMIP projects in the State of Kosrae; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE

Section 1. Appropriation. The sum of $316,500 is hereby appropriated from the Foreign Assistance Fund of the Kosrae State Treasury for the purpose of funding certain US Federal funded FY99-OMIP projects in the State of Kosrae.

Section 2. Apportionment. The sum appropriated by Section 1 of this act shall be apportioned as follows:

1. Kosrae Utility Authority $216,500
2. Department of Health Services $55,000
3. Department of Public Works $45,000

Section 3. Allottee. All funds appropriated by this act shall be allotted, managed, administered and accounted for in accordance with applicable laws. The allottee of the funds appropriated by this act shall be the Governor of the State of Kosrae who shall be responsible for ensuring that these funds, or so much thereof as may be necessary, are used solely for the purpose specified in this act, and that no obligations are incurred in excess of the sum appropriated.

Section 4. Effective Date. This act shall become law upon approval by the Governor or upon its becoming law without such approval.

PASSED BY THE SEVENTH KOSRAE STATE LEGISLATURE ON THE 9TH DAY OF SEPTEMBER, 1999.

[Signatures]

Attested by:

[Signature]

Rensley A. Sigrah
Governor, State of Kosrae

Date: 10/15/99
A BILL FOR AN ACT

To appropriate the sum of $20,483.00 from the Compact Current Account of the United States Grant Fund in the Kosrae State Treasury to supplement the operations of the Kosrae Local Office of the USDA-Rural Development and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE

Section 1. Appropriation. The sum of $20,483.00 is hereby appropriated from the 211 Compact Current Account of the United States Grant Fund in the Kosrae State Treasury to supplement the operations of the Kosrae Local Office of the USDA-Rural Development.

Section 2. Apportionment. The sum appropriated by Section 1 of this act shall be apportioned as follows:

<table>
<thead>
<tr>
<th>Personnel</th>
<th>$18,583</th>
</tr>
</thead>
<tbody>
<tr>
<td>Travel</td>
<td>$1,900</td>
</tr>
</tbody>
</table>

Section 3. Allottee. All funds appropriated by this act shall be allotted, managed, administered and accounted for in accordance with applicable laws. The allottee of the funds appropriated under Section 1 of this act shall be the Governor of the State of Kosrae, who shall be ensure that these funds are used for the purpose for which they are appropriated and that no obligations are incurred in excess of the amount appropriated herein. The funds appropriated by this act are available only to the extent funds for the same purposes are not available from the national government of the Federated States of Micronesia.

Section 4. Effective Date. This act shall become law upon approval by the Governor or upon its becoming law without such approval.
PASSED BY THE SEVENTH KOSRAE STATE LEGISLATURE ON THE 2ND DAY OF SEPTEMBER, 1999.

Hiteo S. Shrew
Speaker, 7th Kosrae State Legislature

Attested by:

Rongelap A. Sigrah
Governor, State of Kosrae

Date: ____________

Becomes law on signature 10.06.99