

A BILL FOR AN ACT

To further amend title 40 of the Code of the Federated States of Micronesia, as amended by Public Laws Nos. 6-30, 6-44, 6-45, 8-21 and 8-132, by adding a new subchapter IV of chapter 3 for the purpose of creating a Scholarship Revolving Fund, and for other purposes.

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

1 Section 1. Title 40 of the Code of the Federated States of
2 Micronesia is hereby further amended by adding a new section 335 of
3 subchapter IV of chapter 3 to read as follows:

4 "Section 335. Scholarship Revolving Fund. There is hereby
5 established a Scholarship Revolving Fund separate from the
6 General Fund, the Student Loan Revolving Fund, or other
7 funds. The Scholarship Revolving Fund shall be funded
8 initially by an appropriation made during the First Regular
9 Session of the Ninth Congress, in a sum equal to the total
10 funds available or expected to be available for scholarships
11 under the provisions of section 216(a)(3) of the Compact of
12 Free Association for the 1986 fiscal year."

13 Section 2. Title 40 of the Code of the Federated States of
14 Micronesia is hereby further amended by adding a new section 336 of
15 subchapter IV of chapter 3 to read as follows:

16 "Section 336. Disbursement of scholarships from Scholarship
17 Revolving Fund. The President is hereby authorized to allot
18 and expend the funds appropriated to create the Scholarship
19 Revolving Fund, and thereafter, those funds available under
20 Compact section 216(a)(3) used to replenish the Scholarship
21 Revolving Fund under section 337 of this chapter, so as to
22 ensure that money is available for the timely registration
23 and enrollment of any eligible student whose institution of
24 higher education requires such funds prior to the beginning
25 of the fiscal year.

1 (a) The Secretary of the Department of Education of
2 the Federated States of Micronesia shall be the allottee of
3 all funds to be expended from the Scholarship Revolving Fund,
4 and shall be responsible for awarding the scholarships
5 therefrom and overseeing the disbursement of such scholarship
6 funds directly to the appropriate institution of higher
7 education.

8 (b) The Secretary of the Department of Finance of the
9 Federated States of Micronesia shall be responsible for
10 managing and investing the funds in the Scholarship Revolving
11 Fund, and for ensuring that authorized expenditures are
12 disbursed promptly to the appropriate institution of higher
13 education as designated by the Secretary of Education."

14 Section 3. Title 40 of the Code of the Federated States of
15 Micronesia is hereby further amended by adding a new section 337 of
16 subchapter IV of chapter 3 to read as follows:

17 "Section 337. Reimbursement of Scholarship Revolving Fund.
18 All funds received by the Federated States of Micronesia
19 under Compact section 216(a)(3) following the creation hereby
20 of the Scholarship Revolving Fund shall upon receipt be
21 deposited in said fund for disbursement according to the
22 provisions of section 336 of this chapter."

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1 Section 4. This act shall become law upon approval by the
2 President of the Federated States of Micronesia or upon its becoming law
3 without such approval.

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5 Date: 5/17/95

Introduced by: ✓
Jack Fritz

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