

TWELFTH KOSRAE STATE LEGISLATURE

FIRST REGULAR SESSION, FEBRUARY 2019

L.B. No. 12-03 151

A BILL FOR AN ACT

To further amend Title 10, Section 10.205 of the Kosrae State Code, as amended by S.L. No. 11-10, S.L. No. 11-71, S.L. No. 11-104, S.L. No. 11-117, S.L. No. 11-146, and S.L. No. 11-157, to correct the alphabetization of the subsections; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE

1 Section 1. Purpose. The purpose of this act is to correct the alphabetization of the  
2 subsections of Section 10.205.

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

5 "Section 10.205. The Revenue Fund."

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

13 (a) The Department of Resources and Economic Affairs shall maintain a  
14 revolving fund known as the Production Development Fund.

15 (i) The Fund shall be used:

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

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

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

(4) to assist with the marketing of Kosraean agriculture  
produce.

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

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

(2) the sale of agriculture supplies; and

(3) the sale of fishing supplies; and

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

(iii) The Production Development Fund shall be administered by  
Director of the Deparement of Resources and Economic Affairs but

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all funds shall be received, held, disbursed and accounted for by the  
Director of the Department of Administration and Finance or his  
designee.

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

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

(b) the Sports Council may retain funds collected pursuant to Section  
7.1002(3), funds obtained through contributions and donations, and any  
interest thereon for funding operations, acquisition of equipment and the  
purchase of prizes.

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

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

(e) 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;

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



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1 FSM National Government or Kosrae State Government or the relevant  
2 government or its department, agency, or entity; provided, however, that the  
3 funds received as reimbursement shall also be deposited in the Health Care  
4 Fund.

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

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

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

20 Each department, office, and agency retaining monies pursuant to subsections (a)

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1 through (~~k~~ i) provides a written monthly report to the Governor and the Speaker on  
2 the status of the monies, including amounts received and expended; upon  
3 determining that a department, office, or agency has money in excess of the  
4 amount necessary for the purpose for which it is allowed to retain the  
5 funds, the Governor directs that said excess be turned over to the State  
6 Treasury.

7 (~~km~~ j) The Court may retain monies received as payment for published decisions,  
8 opinions, rules, or probation fees or other documents issued by the Court.

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

11 (~~h~~ k) The Department of Administration and Finance shall maintain a Land  
12 Administration Revolving Fund.

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

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

- 17 1. Homestead Lease; and
- 18 2. FSM National Government Land Lease.

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

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

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

(~~mn~~ l) The Division of Finance and Budget retains in a Tobacco Coalition Fund all monies collectd from payments received for fees and fines from tobacco

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solely for the purpose of funding operations of the Tobacco Coalition Taskforce, including any funds collected prior to establishment of this fund, and also provided that, 5 percent of payments received from fees and fines collected be given to the municipality where such violation occur.

(e m) The Division of Finance and Budget retains in a Protected Areas Fund:

- (i) all monies awarded directly into the fund or awarded to KIRMA and/or other non-government organizations, for the purpose of protected areas, shall be used for the purpose of conserving and managing protected areas in the Kosrae State Protected Areas System and/or proposed areas to be included in the System.
- (ii) In order to ensure long-term sustainable financing into the Fund, monies donated, contributed, and financed thru external sources of fund assistance, including national, regional, international bilateral and multilateral environmental support programs, for the purposes of protected areas, shall be dedicated into the fund in the same manner as monies appropriated through the state and the national government.

(iii) Monies deposited into the Fund may be used for:



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(1) Developing and implementing management plans for protected areas in the Protected Areas System.

(2) Developing institutional capacities of existing and new community-declared protected areas to qualify for inclusion in the Protected Areas System; and

(3) Implementing community-based project activities support the Kosrae State Protected Areas System including projects involving the management and protection of identified areas of biodiversity significance (ABS) in the State of Kosrae.

(iv) The Administrator of KIRMA shall:

(1) work with the Protected Areas Fund Board to administer the Protected Areas Fund, but all funds shall be received, held, disbursed and accounted for by the Director of the Department of Administration and Finance of his designee.

(2) work with the Protected Areas Fund Board to determine on an annual basis prior to end of fiscal year how much, if any, funds will be made available for disbursement.

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

Date:

Feb. 11, 2019

Introduced by:

  
Rolner L. Joe