

W/M

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A BILL FOR AN ACT

To amend Title 10, Chapter 5, Section 10.501 of the Kosrae State Code to clarify the circumstances under which State funds may be disbursed in advance of receipt of monies granted by the national government; and to propose new coding for a new section 10.502 to require that the State shall not make any payments on behalf of any third party without the approval of the Legislature; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE

1 **Section 1. Amendment.** Title 10, Chapter 5, Section 10.501 of the Kosrae State

2 Code is hereby amended to read as follows:

3 “Section 10.501 National government grant There is authorization for the disbursement
4 of State funds in advance of receipt of monies granted to the State of Kosrae by the
5 national government for State Government use. State funds are not available for
6 advancement if monies granted by the national government are not for State Government
7 use.”

8 **Section 2. New Coding.** New Coding is proposed for Title 19, Chapter 5 of the
9 Kosrae State Code by the addition of a new Section 10.502 to read as follows:

10 “Section 10.502. Advances on behalf of Third Parties. There shall be no disbursements
11 of State funds on behalf of third parties without approval by the Legislature except where
12 the original appropriation by the Legislature clearly contemplated and expressly or
13 implicitly authorized disbursement of State funds on behalf of the third party.”

14 **Section 3. Effective Date.** This act takes effect upon approval by the Governor or
15 upon its becoming law without such approval.

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19 Date: 02/12/07

Introduced by:

Bob H. Skilling
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