

AN ACT

To appropriate the sum of \$14,480,720 from the Yap State Fiscal Year 2026 Compact Sector financial estimates for the purpose of funding government operations, programs and projects in the State of Yap during Fiscal Year 2026, and for other purposes.

Be it enacted by the Legislature of the State of Yap.

1           Section 1. Operations, Programs and Projects. The  
2           sum of \$14,480,720, or so much thereof as may be  
3           necessary, is hereby appropriated from the Special  
4           Revenue Fund under the 3<sup>rd</sup> Amended Compact Fiscal Year  
5           2026 Sector Grants for the purpose of funding government  
6           operations, programs and projects during Fiscal Year  
7           2026. The allocation of the sum shall be \$7,344,594 from  
8           Education Sector, \$6,470,841 from Health Sector, \$268,409  
9           from Public Sector capacity building, and \$396,876 from  
10          Enhanced Reporting and Accountability Sector.

11          Section 2. Conditions and Restrictions.

12                 (1) Funds herein appropriated under the 3<sup>rd</sup>  
13           Amended Compact sector grants shall not be available for  
14           obligation for their planned uses by the respective  
15           agencies unless the planned uses are unconditionally  
16           approved by the Joint Economic Management Committee  
17           (JEMCO) under the Amended Compact through issued grant  
18           awards and until the respective grant cash amounts have

1     been drawn-down by the State and are deposited in the  
2     respective State accounts and available for disbursement.  
3     Any amount not unconditionally approved by JEMCO shall be  
4     deemed not appropriated herein.

5             (3) Lump-sum budget amounts shall not be  
6     advanced to any agency at the beginning of the fiscal  
7     year. Memorandum of agreement (MOA) or other forms of  
8     agreement the purpose of which is to obligate and  
9     disburse to a respective agency its annual budget as  
10    approved herein, including reimbursements to such  
11    agencies for payments for expenditures under their  
12    respective budget, is prohibited. All funds appropriated  
13    by this Act shall be maintained under the authority of  
14    the Director of the Office of Administrative Services.

15             (4) Funds herein appropriated shall be allotted  
16    only on a quarterly basis, except where it is essential  
17    for the effective and efficient performance of the duties  
18    and responsibilities of an agency to allot certain lump-  
19    sum amounts at the beginning of the fiscal year such as  
20    for the purchase of fixed assets and for contractual  
21    services.

22             Section 3. Allotment and Management of Funds, and

1     Lapse Date.

2                   (1) The sums appropriated by this Act shall  
3 be allotted to the Governor, or his designee(s).

4                   (2) All allottee shall be responsible for  
5 ensuring these funds are used only for the purposes  
6 specified in their respective budgets approved by the  
7 Legislature, and that no obligations are incurred in  
8 excess of the respective sums appropriated under the  
9 Section 1 of this Act. The sum appropriated by this Act  
10 shall be administered in accordance with the provisions  
11 of applicable law, including, but not limited to, the  
12 State Financial Management Act of 1983, the State  
13 Contracts Act and whenever applicable, the Amended  
14 Compact between the Governments of the Federated States  
15 of Micronesia and the United States of America. The  
16 authority to obligate the funds appropriated by this Act  
17 shall lapse as of September 30, 2026. Any part of this  
18 appropriation not obligated as of September 30, 2026,  
19 shall revert to the Special Revenue Fund of the State of  
20 Yap.

21                   Section 4. Reports. The allottee shall submit to  
22 the Legislature their respective performance and

1 financial quarterly reports for each of the quarters in  
 2 Fiscal Year 2025, no later than twenty days after the  
 3 end of each quarter. Each quarterly report shall include,  
 4 but not limited to, complete descriptions of the  
 5 obligations incurred against the respective apportioned  
 6 sums appropriated by this Act, and the status of the  
 7 respective funds as of the end of the completed quarter.

8 Section 5. Effective date. This Act shall become  
 9 effective on October 01, 2026 upon the approval by the  
 10 Governor, or upon its becoming law without such approval.

11  
 12 **Final Passage:** October 09, 2025

13  
 14 **Certified by:**   
 15 Dee N. N. Libian  
 16 Chief Clerk

17  
 18   
 19 Nicholas Figirlaarwon  
 20 **Speaker**

21 **Approved by:**   
 22 Francis Itimai  
**Acting Governor**

23 10/10/25  
 24 Date

25 10/23/25  
 26 Date