ELEVENTH LEGISLATURE BILL NO. 11-253

STATE OF YAP YAP STATE LAW NO. 11-202

FOURTH REGULAR SESSION, 2026

AN ACT

To appropriate the sum of $14,555,820 from the Yap State Fiscal Year 2027 Compact Sector financial estimates for the purpose of funding government operations, programs and projects in the State of Yap during Fiscal Year 2027, and for other purposes.

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

Section 1. Operations, Programs and Projects. The sum of $14,555,820, or so much thereof as may be necessary, is hereby appropriated from the Special Revenue Fund under the 3rd Amended Compact Fiscal Year 2027 Sector Grants for the purpose of funding government operations, programs and projects during Fiscal Year 2027. The allocation of the sum shall be $7,345,600 from Education Sector, $6,369,540 from Health Sector, $122,656 from Private Sector, $248,122 from Public Sector capacity building, $27,579 from Environmental Sector and $442,323 from Enhanced Reporting and Accountability (ERA) Sector.

Section 2. Conditions and Restrictions.

(1) Funds herein appropriated under the 3rd Amended Compact sector grants shall not be available for obligation for their planned uses by the respective agencies unless the planned uses are unconditionally

approved by the Joint Economic Management Committee (JEMCO) under the Amended Compact through issued grant awards and until the respective grant cash amounts have been drawn-down by the State and are deposited in the respective State accounts and available for disbursement. Any amount not unconditionally approved by JEMCO shall be deemed not appropriated herein.

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

(3) Funds herein appropriated shall be allotted only on a quarterly basis, except where it is essential for the effective and efficient performance of the duties and responsibilities of an agency to allot certain lump-sum amounts at the beginning of the fiscal year such as

for the purchase of fixed assets and for contractual services.

Section 3. Allotment and Management of Funds, and Lapse Date.

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

(2) All allottee shall be responsible for ensuring these funds are used only for the purposes specified in their respective budgets approved by the Legislature, and that no obligations are incurred in excess of the respective sums appropriated under the Section 1 of this Act. The sum appropriated by this Act shall be administered in accordance with the provisions of applicable law, including, but not limited to, the State Financial Management Act of 1983, the State Contracts Act and whenever applicable, the Amended Compact between the Governments of the Federated States of Micronesia and the United States of America. The authority to obligate the funds appropriated by this Act shall lapse as of September 30, 2027. Any part of this appropriation not obligated as of September 30, 2027, shall revert to the Special Revenue Fund of the State of

Yap.

Section 4. Reports. The allottee shall submit to the Legislature their respective performance and financial quarterly reports for each of the quarters in Fiscal Year 2027, no later than twenty days after the end of each quarter. Each quarterly report shall include, but not limited to, complete descriptions of the obligations incurred against the respective apportioned sums appropriated by this Act, and the status of the respective funds as of the end of the completed quarter.

Section 5. Effective date. This Act shall become effective on October 01, 2027 upon the approval by the Governor, or upon its becoming law without such approval.

Final Passage: September 25, 2026

Certified by: _____
Dee N. N. Libian
Chief Clerk

_____
Nicholas Figirlaarwon
Speaker

9/28/26
Date

Approved by: _____
Francis Itimai
Governor

10/2/2026
Date