NITIJELA OF THE MARSHALL ISLANDS
21ST CONSTITUTIONAL REGULAR SESSION, 2000

BILL NO. 18 N.D.-1

P.L. 2000-2

An Act

To provide -

(a) in accordance with Article VIII of the Constitution, for the issue from the Marshall Islands General Fund, including funds provided under the Compact of Free Association and other funds, of a total sum of $101,411,672 to meet the expenditures of the Government for the Financial Year 2000, and to appropriate sums to program areas; and

(b) for a Contingencies Fund in accordance with Section 9 of Article VIII of the Constitution; and

(c) for contingent appropriation of amounts that may be received in the future; and

(d) for delegation of expenditure approval under Section 5 of Article VIII of the Constitution; and

(e) for controls on reprogramming and transfer of funds within appropriation areas; and

(f) for control on specific expenditures.

BE IT ENACTED BY THE NITIJELA OF THE MARSHALL ISLANDS:

Section 1. **Short Title.**

This Act may be cited as the Appropriations (Financial Year 2000) Act, 2000, and shall be deemed to have come into effect on 1 October, 1999.

Section 2. **Statement of National Objective.**

It is the intention of the Government of the Republic of the Marshall Islands to hereby enact and implement a national budget for the whole of the Financial Year 2000. This national budget incorporates, and is intended to supersede, substantially all the provisions of the Interim Appropriation (Financial Year 2000) Act, 2000.

Section 3. **Interpretation.**

In this Act -

(1) "program area" means program areas set out in Schedules 1-11 as indicated by numbering in the first column of those schedules;

(2) "unanticipated income" means any money, not being loan money, that -

(a) becomes available for expenditure from a source at a time when the Nitijela is not meeting; and

(b) has not been specifically included in the budget estimates for the Financial Year, which the Cabinet is satisfied should, in the interests of the

Republic of the Marshall Islands, be expended, in whole or in part, before the expenditure could reasonably be authorized by an Appropriation Act or a Supplementary Appropriation Act.

Section 4. **Appropriations from the Marshall Islands General Fund.**

(1) **Total Appropriation.** The sum of $62,216,632 is hereby appropriated, and may be withdrawn from the Marshall Islands General Fund and expended pursuant to Article VIII of the Constitution for program areas in accordance with Schedule 1, Recurrent Cost, during the Financial Year as provided for in this Section.

(2) **Nonrecurrent/Development.** All Capital Account Funds provided under the Compact of Free Association shall be credited to the General Fund. Where the use of such Capital Account Funds represents a direct charge on the General Fund such funds shall be deemed to be appropriated to the Ministry of Finance or to Debt Service Fund, as appropriate.

(3) **Restrictions on Reprogramming of Compact Funds.** Funds received and appropriated pursuant to

Sections 111, 177, 211, 213, 214, 215, 216, 217, and 221 of the Compact of Free Association shall not, during the Financial Year, be transferred to any other activity, or reprogrammed or expended for any purpose other than the permissible uses of those funds as provided for in the Compact of Free Association and its Subsidiary Agreements.

(4) Compact Communications Operation. All moneys received under Section 215(a)(1) of the Compact of Free Association and appropriated shall not lapse at the end of the Financial Year, but shall continue until either the purpose of the appropriation is completed or funds are expended, whichever occurs first.

(5) Section 216 Compact Funds.

(a) The appropriation of $797,400 referred to in Schedule 1 shall be credited to the Scholarship Fund established by the Scholarship Board. The Fund shall be utilized for post secondary programs as authorized by the Cabinet.

(b) All monies received under paragraphs 216(a)(1), (2), and (3) of the Compact and appropriated shall not lapse at the end of the Financial Year, but shall continue until either the purpose of the appropriation is completed or funds are expended, whichever occurs first.

Section 5. **Appropriation of U.S. Agency and Other Foreign Grants.**

(1) Subject to Sections (4) and (6), the sum of $8,650,923 (being the total amount of special U.S. Agency and other foreign grants) is appropriated and may be withdrawn from the Marshall Islands General Fund pursuant to Article VIII of the Constitution, for program areas in accordance with Schedule 4, during the Financial Year.

(2) The amounts set out in Schedule 4 are not available for expenditure as reprogrammed expenditure under Article VIII Section 7 of the Constitution, except as authorized by or under the agreements with the grantor nation.

(3) The appropriation made by Subsection (1) shall not lapse at the end of the Financial Year, but shall continue until either the grant expires or the funds are expended, whichever occurs first.

Section 6. **Funding of the Office of the Auditor-General.**

The Secretary of Finance shall withhold and deposit in a special account in the Marshall Islands General Fund, one half of one percent (0.5%) of all amounts appropriated in Schedule 1 and the sum so withheld and deposited may be withdrawn and expended by the Auditor-General in accordance with the budget approved for his/her office by the Cabinet, for the operations and activities of his office.

Section 7. **Contingencies Fund.**

(1) In accordance with Article VIII, Section 9 of the Constitution, there is hereby established a Contingencies Fund.

(2) The amount of the Contingencies Fund prescribed, for the duration of the Financial Year, for

the purposes of Article VIII, Section 9(1) of the Constitution is 200,000.

(3) Where, during the Financial Year, an amount of unanticipated income is received by the Government for the purpose of an urgent and unforeseen need, the amount prescribed in Subsection (2) for the Contingencies Fund is increased by the amount of that unanticipated income, to meet such need.

Section 8. **Unanticipated income.**

Where, during the Financial Year, an amount of unanticipated income is received by the Government for a specified program area, otherwise than as set out in Section 7(3), that amount is appropriated for the corresponding program area in Schedules 4, 5 or 6, as the case may be, and the amount of the appropriation for that program area is increased accordingly.

Section 9. **Notification to the Cabinet by the Minister.**

When any money to which Section 7(3) or Section 9 applies is received, the Minister of Finance shall notify the Cabinet of the receipt of such money, and

such money shall not be expended without the approval of the Cabinet.

Section 10. **Lapsing of Certain Appropriations.**

Any increase in the amount prescribed for the Contingencies Fund provided for by Section 7(3) ceases and any increase in the amount of an appropriation affected by Section 9 lapses -

(a) on the effective date of the next Appropriation Act or Supplementary Appropriation Act enacted after the date referred to in Subsection (1); or

(b) on the adoption of a Resolution to that effect by the Nitijela, whichever occurs first.

Section 11. **Delegation of Authority to Approve.**

(1) For the purposes of Article VIII, Section 5(1) of the Constitution, the authority to approve expenditure in a program area in accordance with Schedules 1-6 is hereby delegated to -

(a) the member of the Cabinet primarily responsible for that program area; and

(b) if the responsible member of the Cabinet so directs by instrument in writing, and subject to any limitations imposed by the instrument and to general control by the member, an appropriate person, authority, or agency.

(2) Any expenditure otherwise than in accordance with Schedules 1-6 shall require the approval of the Cabinet in accordance with Article VIII, Section 5(1) of the Constitution.

Section 12. **Reprogramming and Transfers Between and Within Program Areas.**

Before any reprogramming of expenditure between program areas is approved under Article VIII, Section 7(1)(b) of the Constitution, the Cabinet shall approve such reprogramming.

Section 13. **General.**

In the event the actual receipts into the Marshall Islands General Fund fall short of the total amount appropriated in Schedule 7, 8, 10 and 11, the Cabinet may reduce the amounts appropriated in Schedule 1, 4, 5 and 6.

Section 14. **Special Revenue Fund.**

Any moneys in excess of an appropriation made in Schedule 8 (Special Revenue Funds) may be expended during the Financial Year only in accordance with terms of the Act establishing such Special Revenue Fund.

Section 15. **Effect on Interim Appropriation (Financial Year 2000) Act, 2000**

(1) This Act supersedes the Interim Appropriation (Financial Year 2000) Act, 2000 (P.L. 2000 - 1).

(2) Notwithstanding subsection (1), all expenditures or other measures or actions duly made or taken under said Interim Appropriation (Financial Year 2000) Act, 2000 are, or remain, valid as if made or taken under the corresponding provisions of this Act.

Section 16. **Effective Date.**

This Act shall take effect on the date of certification in accordance with Article IV, Section 21 of the Constitution.

Certificate

I hereby certify-

(1) that the above Nitijela Bill No. 18 N.D.1 has been passed by the Nitijela of the Marshall Islands on the 7TH day of MARCH, 2000, and

(2) that I am satisfied that Nitijela Bill No. 18 N.D.1 has been passed in accordance with the Constitution of the Marshall Islands and the Rules of the Nitijela.

I hereby place my signature before the Clerk of the Nitijela this 9TH day of MARCH, 2000.

Attest:

Litokwa Tomeing, Speaker
Nitjela of the Marshall Islands

Joe Riklon, Clerk
Nitijela of the Marshall Islands

SCHEDULES

REPUBLIC OF THE MARSHALL ISLANDS
FY 2000 Expenditure Budget -
For the twelve month period ending 30 September, 2000

RECURRENT GENERAL APPROPRIATIONS	SCHEDULE 1
PRESIDENT & CABINET	
Presidents & Ministers	589,261.67
Cabinet Operations	569,442.78
Office of the President	159,347.55
Total PRESIDENT & CABINET	1,318,052.00
CHIEF SECRETARY	
Administration	$146,245.35
Planning & Statistics	183,430.65
Disaster Office	26114.00
Total CHIEF SECRETARY	$355,790.00
SPECIAL APPROPRIATION	
Government Electricity Bills	$1,000,000.00
Kajur Subsidy-Ebeye	325,000.00
Marshall Islands Visitors Authority	275,000.00
Marshall Islands Legal Service Corps.	10,000.00
ADB Counterpart Funding	250,000.00
Marshall Islands Resort Inc.	100,000.00
Land Leases	910,000.00
MWSCO Subsidy/Water Bills	100,000.00
Range System Engineering	100,000.00
USDA (Farmer's Home) Subsidy	50,000.00
Constitution Day Donation	00.0
R & D Capitol Building Repairs	00.0
Library Subsidy Alele	00.0
Contingencies Fund	200,000.00
Trust Fund/Sinking Fund	75,000.00
International Subscriptions/Membership Fees	425,000.00
FEMA/Disaster Matching	200,000.00
Prior Year Liabilities	500,000.00
KALGOV Grant	400,000.00
Copra Price Stabilization Subsidy	800,000.00
Government Electric Bills-Ebeye	150,000.00
Health Care Revenue Fund Subsidy	00.0
Total SPECIAL APPROPRIATION	5,870,000.00
COUNCIL OF IROIJ	
Council of Iroij – Administration	71,218.87
Council of Iroij Members	297,997.13
Total COUNCIL OF IROIJ	369,216.00
AUDITOR GENERAL	
Auditor General	0.00
Total AUDITOR GENERAL	00.0

PUBLIC SERVICE COMMISSION	
Public Service Commission	$85,715.00
PSC Administration	717,740.00
Total PUBLIC SERVICE COMMISSION	803,455.00
JUDICIARY	
Judicial Service Commission	$703.00
General Courts	261,020.42
Community Court	5,485.00
Traditional Rights Court	78,376.58
Total JUDICIARY	$345,585.00
ATTORNEY GENERAL	
Attorney General Office	$343,636.00
Total ATTORNEY GENERAL	$343,636.00
HEALTH & ENVIRONMENT	
Health & Environment Administration	604,882.88
Health Planning & Statistics	16,034.48
Majuro Hospital Operation	2,099,488.45
Ebeye Hospital Operations	383,184.94
Ebeye Health Administration	41,023.63
ADB Counter Fund	85,000.00
Dental Services – Majuro	141,735.86
Dental Services – Ebeye	81,887.00
Human Services	35,355.96
Human Development & Training	13,454.00
Youth Adolescent Health	13,985.24
Preventive Services - Administration	38,881.20
Population Activities & Family Planning	38,978.50
Vocational Rehabilitation	20,557.25
Preventive Services – Ebeye	49,039.61
EPA	138,600.00
Total HEALTH & ENVIRONMENT	3,802,089.00
EDUCATION	
College of the Marshall Islands	551,757.00
Administration – Education	384,409.50
Colse-Up	60,000.00
ADB Counter Fund	298,061.78
Elementary Education – Majuro	650,000.00
Elementary Education – Ebeye General Fund	450,000.00
School Improvements/Non-CBGS	1,844,053.95
Vocational Education	59,913.54
Northern Islands High School	38,783.95
National Standards	67,507.63
Support Services	22,889.41
USP/Secondary Education	200,000.00
Aid to Private Schools	331,335.00
Scholarship Third Country	100,450.24
Total EDUCATION	5,059,162.00
TRANSPORTATION & COMMUNICATION	
Office of the Secretary Transportation & Communication	$502,000.00
Total TRANSPORTATION & COMMUNICATION	$502,000.00

RESOURCES & DEVELOPMENT	
R & D Administration	$156,202.58
Agro – Forestry	130,236.05
Energy Office	14,935.00
MIDA	67,477.00
Commerce & Industry	35,531.37
Jeljelatai Ship	181,000.00
Total RESOURCES & DEVELOPMENT	585,382.00
INTERNAL AFFAIRS	
Administration (1A)	$223,847.45
Social Welfare	10,349.10
Community Development	67,365.33
Youth Bureau	27,888.49
Women in Development	60,716.51
Sports & Recreation	158,960.07
Administration (Electoral)	69,541.94
Elections (Electoral)	38,667.98
Local Government Affairs	36,064.87
Grant in Aid	476,133.60
Lib/Historic Preservation	37,322.00
Registrar Office	26,003.88
Language Commission	22,893.80
ID Cards	21,423.85
Peace Corps (Japan)	10,600.00
National Archives	30,200.00
Historic Preservation Act	42,857.61
Historic	55,361.06
Total INTERNAL AFFAIRS	1,416,197.00
JUSTICE	
Public Defender – Majuro	$163,679.08
Public Safety – Majuro	1,105,660.24
Public Safety - Ebeye	209,235.78
Legal Aid	99,486.90
Total JUSTICE	1,578.062.00
FINANCE	
Banking Commissioner	$40,000.00
Finance Office – Majuro	411,540.55
Finance Office - Ebeye	61,168.02
EDP Division	86,150.03
Revenue Office – Majuro	253,354.87
Revenue Office – Ebeye	54,243.68
Drug Enforcement Office	34,114.35
Procurement & Supply	92,049.22
Aid Monitoring/Development Unit	75,861.28
Total FINANCE	1,108,482.00

FOREIGN AFFAIRS	
Foreign Affairs	390,338.46
Immigration – Ebeye	46,672.31
Usaka Lno	91,759.20
Majuro Immigration	82,545.81
Washington Office	379,645.38
RMI UN Office – New York	257,860.95
Fiji Office	149,542.00
Tokyo Embassy	206,927.55
Taipei Embassy	147,599.75
Compact Review	247,779.59
Total FOREIGN AFFAIRS	2,000,671.00
PUBLIC WORKS	
OMIP Matching Fund	00.0
Outer Islands Projects – LCU	333,462.00
Operation & Maintenance – Majuro	950,832.99
CGMA	75,966.91
Total PUBLIC WORKS	1,360,262.00
NITIJELA	
Nitijela Operation	323,362.60
General Membership – Nitijela	886,809.70
Speaker's Contingency	50,126.85
Committee Expense – Nitijela	100,279.89
Legislative Counselor's	51,828.96
Total NITIJELA	1,412,408.00
Total General Fund Recurrent Cost	**$28,230,449.00**
COMPACT DESIGNATED	
EDUCATION	$1,797,000.00
HEALTH & ENVIRONMENT	1,734,600.00
SEA PATROL – 216A1	371,400.00
SECTION 216 – EDUCATION SCHOLARSHIP FUND	797,400.00
TRANSFER IN SEC 211 CURRENT	1,344,083.00
TRANSPORTATION & COMMUNICATION and V7AB	
Office of the Sec T & C	150,000.00
V7AB	150,000.00
Total TRANSPORTATION & COMMUNICATION and V7AB	$300,000.00
TRUST/TRIBUNAL & HEALTH FUND	19,223,900.00
Total COMPACT DESIGNATED	
Total COMPACT DESIGNATED RECURRENT	**$25,568,383.00**

KWAJALEIN LAND OWNER TRUST FUND	
Current – Section 211	$4,260,000.00
Current – Section 211	1,900,000.00
Inflation Impact – Section 217	2,257,800.00
Total KWAJALEIN TRUST FUND	**$8,417,800.00**
Total RECURRENT COSTS	**$62,216,632.00**
NON-RECURRENT DEVELOPMENT	**SCHEDULE 2**
KADA	
Capital-KADA – Section 211	**$2,840,000.00**
Inflation-KADA Section 217	**1,505,200.00**
Total KADA	**$4,345,200.00**
PRIOR YEAR APPROPRIATIONS	**SCHEDULE 3**
DEBIT SERVICE	
Energy – Section 214	$2,000,000.00
Capital – Section 211	10,655,917.00
Inflation – Section 217	7,579,000.00
Total DEBT SERVICE	**$20,234,917.00**
GRANTS	**SCHEDULE 4**
AUDITOR GENERAL	622,750.00
CHIEF SECRETARY	296,879.00
EDUCATION	4,155,836.00
FINANCE – Y2K GRANT	99,501.00
HEALTH AND ENVIRONMENT	2,088,522.00
INTERNAL AFFAIRS	310,129.00
JUSTICE	43,567.00
PUBLIC WORKS	$567,037.00
RESOURCES & DEVELOPMENT	466,702.00
Total GRANTS	**$8,650,923.00**
SPECIAL REVENUE	**SCHEDULE 5**
LOCAL GOVERNMENT TRUST FUND	$339,000.00
JUSTICE	35,000.00
NATIONAL TRAINING COUNCIL	80,000.00
POSTAL SERVICE	260,000.00
Total SPECIAL REVENUE	**$714,000.00**
ADB FUND	**SCHEDULE 6**
EBEYE HEALTH CENTER – LOAN 1694	$2,500,000.00
HEALTH SERVICE – LOAN 1316	1,250,000.00
EDUCATION – LOAN 1316	1,500,000.00
TOTAL ADB FUND	**$5,250,000.00**
Total ALL EXPENDITURES	**$101,411,672.00**

REVENUES	SCHEDULE 7
GENERAL FUND	
Compact Funding – Section 211	$1,344,084
Fees and Charges	300,000
Fishing Rights	3,000,000
Fuel Tax	250,000
Gross Revenue Tax	3,000,000
Import Tax	5,000,000
Income Tax	7,500,000
Interest and Dividends	436,000
Interest Income - MIMRA	164,000
T & C - Receivable	30,000
MIDB - Receivable	384,000
Other Revenue	852,365
Penalties and interest Charges	20,000
Sale of Assets	5,000,000
Ship Registry	950,000
Total Fund 100	**$28,230,449**

SPECIAL REVENUE FUNDS	SCHEDULE 8
Local Government Trust Fund	$339,000
Justice	35,000
National Training Council	80,000
Postal Service	260,000
Total Special Revenue	**$714,000**

U.S. COMPACT FUNDS	SCHEDULE 9
Section 211-Current	$1,344,083
Section 211-Capital	10,655,917
Section 213	1,900,000
Section 214(a)	2,000,000
Section 215	300,000
Section 216	1,700,400
Section 217	11,342,000
Section 221(b) Block grant	3,000,000
Section 211 KADA & Kwajalein	7,100,000
Trust/Tribunal & Health Fund	19,223,900
Compact Funds	**$58,566,300**

OTHER GRANTS	SCHEDULE 10
U.S. Grants	$8,551,422
Special Y2k Grant	99,501
Total Grants	**$8,650,923**

ADB FUND	SCHEDULE 11
Ebeye Health Center	$2,500,000
Health & Environment	1,250,000

Total ADB Fund	**$5,250,000**
Total All Revenue	**$101,411,672**