

A BILL FOR AN ACT

To amend title 55 of the Code of the Federated States of Micronesia by creating a subsection 4 under section 209 to clarify Congressional approval in accepting sector grants and supplemental education grants in conformity with the terms and conditions of grant awards made pursuant to the provisions of the Compact of Free Association, and for other purposes.

BE IT ENACTED BY THE CONGRESS OF THE FEDERATED STATES OF MICRONESIA:

1           Section 1. Title 55 of the Code of the Federated States  
2 of Micronesia is hereby amended to create a subsection 4 under  
3 section 209 to read as follows:

4           Section 209. Deposits to the General Fund.

5           (1) Unless otherwise provided by this chapter or  
6 other law, the following shall be deposited in the  
7 General Fund:

8                   (a) all public moneys raised or received by  
9 the Federated States of Micronesia National  
10 Government pursuant to laws imposing taxes on income  
11 or other taxes, duties, or tariffs based on imports,  
12 or other revenues collected based on fines, fees,  
13 licenses, interests, rents, or other collections of  
14 the Federated States of Micronesia made specifically  
15 applicable within the jurisdiction of the Federated  
16 States of Micronesia;

17                   (b) all funds allotted to the Federated States  
18 of Micronesia National Government from the Compact

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1 Financial Assistance Fund; and

2 (c) all other funds received by the Federated  
3 States of Micronesia National Government from the  
4 United States Government and designated for the  
5 Federated States of Micronesia National Government.

6 (2) Compact of Free Association financial  
7 assistance shall be accounted for in accordance with  
8 financial accounting and reporting requirements of  
9 the Compact.

10 (3) All balances of the United States Grant Special  
11 Fund are hereby transferred to, and deposited in, the  
12 General Fund of the Federated States of Micronesia.

13 (4) Notwithstanding any provision in this title to  
14 the contrary, the terms and conditions of sector  
15 grants and supplemental education grants awarded and  
16 allocated to the National Government of the Federated  
17 States of Micronesia pursuant to the Compact of the  
18 Free Association between the Government of the  
19 Federated States of Micronesia and the Government of  
20 the United States, as amended, shall be binding on  
21 the National Government when accepted by Congress  
22 through a resolution; PROVIDED THAT, unless an  
23 infrastructure sector grant is rejected by relevant  
24 state government pursuant to Public Law No. 13-72,  
25 section 307 of chapter 3, Congress shall have the

1           authority to accept by resolution, on behalf of such  
2           state government, the terms and conditions of  
3           infrastructure sector grants. Acceptance by Congress  
4           under this section shall be deemed to constitute a  
5           spending authority pursuant to which an allotment may  
6           be issued."

7           Section 2. This act shall become law upon approval by the  
8           President of the Federated States of Micronesia or upon its  
9           becoming law without such approval.

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11   Date: 1/17/12

Introduced by: /s/ Florencio S. Harper

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Florencio S. Harper  
(by request)

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