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A BILL FOR AN ACT

To further amend title 55 of the Code of the Federated States of Micronesia, as amended, by adding a new section 110 and a new subchapter IX of chapter 6 for the purpose of setting aside certain excess revenues until fiscal year 2002, 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 of Micronesia is
2 hereby further amended by adding a new section 110 to read as follows:

3 "Section 110. Set-aside of certain excess revenues.

4 (1) For fiscal year 1994 and each subsequent fiscal year
5 an amount (the 'set-aside amount') equal to 50 percent of the
6 base amount, as hereinafter defined, shall be deposited to the
7 Future Fund provided for in subchapter IX of chapter 6 of this
8 title.

9 (2) The proposed budget submitted to Congress shall
10 contain a revenue/expenditure summary with separate columns
11 for the different sources of revenues and expenditures. There
12 shall be a column for the General Fund divided into Current and
13 Capital subcolumns. The 'base amount' shall equal:

14 (a) Total estimated revenues in the General Fund
15 (Current) subcolumn of the proposed budget, including
16 unappropriated funds from prior years, lapses and adjustments,
17 and new revenues during the subject fiscal year, minus

18 (b) Total estimated expenditures in the General Fund
19 (Current) subcolumn of the proposed budget, as altered by
20 Congress in the appropriation act approving the budget.

21 The base amount shall be unaffected by subsequent changes in
22 estimated or actual revenues, amendments to said appropriation
23 act, or other appropriations.

24 (3) The set-aside amount for a fiscal year shall be
25 transferred from the General Fund to the Future Fund, at the

1 discretion of the Secretary of Finance, in one or more transfers as
 2 soon as reasonably practicable after the start of that fiscal year;
 3 PROVIDED, however, that at least 10 percent of the set-aside
 4 amount shall have been so transferred by the end of the first
 5 quarter of the fiscal year, 30 percent by the end of the second
 6 quarter, 60 percent by the end of the third quarter, and 100
 7 percent by the end of the fiscal year. If and to the extent that
 8 such minimum quarterly transfers might reasonably be expected
 9 to leave the National Government unable to meet its obligations
 10 as they come due, and upon written certification and explanation
 11 thereof from the Secretary of Finance to the President, the
 12 Secretary of Finance may further delay such transfers."

13 Section 2. Title 55 of the Code of the Federated States of Micronesia is
 14 hereby further amended by adding a new subchapter IX to chapter 6, entitled
 15 "Future Fund."

16 Section 3. Title 55 of the Code of the Federated States of Micronesia is
 17 hereby further amended by adding a new section 660 of subchapter IX of
 18 chapter 6 to read as follows:

19 "Section 660. Establishment. There is hereby established a Future
 20 Fund, hereinafter referred to as the 'Fund,' separate from the
 21 General Fund of the Federated States of Micronesia and all other
 22 funds."

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1 Section 4. Title 55 of the Code of the Federated States of Micronesia is
2 hereby further amended by adding a new section 661 of subchapter IX of
3 chapter 6 to read as follows:

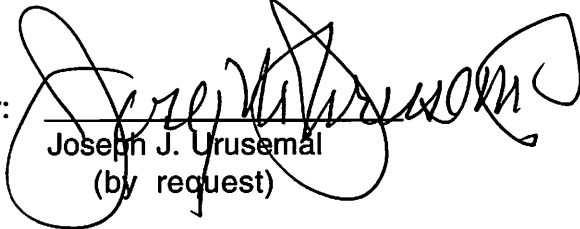
4 "Section 661. Deposits. Deposits to the Fund shall be made as
5 provided in section 110 of this title and may be made as
6 otherwise directed by resolution or act of the Congress of the
7 Federated States of Micronesia."

8 Section 5. Title 55 of the Code of the Federated States of Micronesia is
9 hereby further amended by adding a new section 662 of subchapter IX of
10 chapter 6 to read as follows:

11 "Section 662. Disbursements. Money in the Fund may be
12 disbursed by appropriation at any time for any purpose, but only
13 during or after fiscal year 2002. Before then, no money may be
14 disbursed from the Fund."

15 Section 6. This act shall become law upon approval by the President of
16 the Federated States of Micronesia or upon its becoming law without such
17 approval.

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19 Date: 5/17/95

Introduced by: 
Joseph J. Urusemal
(by request)

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