

A BILL FOR AN ACT

To further amend title 55 of the Code of the Federated States of Micronesia, as amended, by amending section 210, as enacted by Public Law No. 9-074, to modify the operation and scope of the Foreign Assistance Fund, and for other purposes.

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

1 Section 1. Section 210 of chapter 2 of title 55 of the
2 Code of the Federated States of Micronesia, as enacted by
3 Public Law No. 9-074, is hereby amended to read as follows:

4 "Section 210. Foreign Assistance Fund.

5 (1) Definitions.

6 (a) 'Agreement' shall refer to any
7 arrangement, understanding, covenant, compact,
8 transaction or other agreement, in any form, entered
9 into by and between an official of the National
10 Government, or the National Government's designee,
11 and a foreign governmental entity, for the receipt
12 or acceptance of financial or in kind assistance or
13 aid, on behalf of any National or State governmental
14 entity. Separate agreements with a single foreign
15 governmental entity regarding financial or in-kind
16 assistance entered into within thirty days of each
17 other shall be deemed to be a single agreement for
18 purposes of triggering the requirement of
19 Congressional approval under subsection (2).

20 (b) 'Foreign financial assistance' shall
21 refer to currency, money, accounts or notes
22 receivable, offered as aid or assistance to the
23 National Government of the Federated States of
24 Micronesia by a foreign governmental entity, other
25 than foreign aid or assistance received from the

1 United States of America pursuant to, or authorized
2 by, the provisions of the Compact of Free
3 Association ~~between the Federated States of~~
4 ~~Micronesia and the United States of America~~
5 Act of 1985, and other than aid or assistance
6 received into any of the other funds created under
7 sections 211 through 213 of this title.

8 (c) 'Foreign in-kind assistance' shall
9 refer to any and all foreign assistance in the form
10 of goods, services, or other modes of assistance not
11 covered under subsection (1)(b) hereof.

12 (2) Approval by Congress. The President shall
13 submit any agreement for the acceptance or receipt
14 of foreign financial or in-kind assistance greater
15 than \$50,000 in value to the Congress no later than
16 the first regular or special session of Congress
17 convened immediately subsequent to the execution of
18 such agreement, for approval by resolution.

19 (a) No such agreement shall be valid, and
20 no funds, goods, or services may be received
21 pursuant to such agreement, unless and until
22 Congress approves the agreement by resolution.

23 (b) Should the Congress not approve such
24 agreement by resolution before the adjournment of
25 the first regular session following the President's

1 submission of the agreement to Congress, that
2 agreement shall be deemed disapproved.

3 (3) Foreign Assistance Fund. There is hereby
4 established within the National Treasury of the
5 Federated States of Micronesia a Foreign Assistance
6 Fund which shall initially consist of all
7 unobligated balances of foreign financial assistance
8 ~~funds~~ from the preceding fiscal year, and all
9 foreign financial assistance ~~funds~~ designated for
10 the National Government and made available beginning
11 October 1, 1996. Thereafter, the Department of
12 Finance shall receive, maintain a complete record
13 of, and where applicable, deposit all foreign
14 financial assistance as defined in subsection (1) of
15 this section into the Fund, pursuant to the
16 Financial Management Act of 1979.

17 (a) The President or the President's
18 designee shall notify the Congress of the receipt of
19 foreign financial assistance, the amount thereof in
20 U.S. dollars, and, where applicable, the deposit of
21 such assistance into the Fund, no later than the
22 first session of Congress, be it regular or special,
23 convened subsequent to such receipt.

24 (b) ~~Where the foreign financial~~
25 ~~assistance received is denominated in the form~~

~~of goods or services,~~ The President or the President's designee shall in writing notify the Congress of the value ~~thereof~~ in U.S. dollars of foreign in-kind assistance received, of the nature thereof, and of the destination where ~~such~~ goods have been delivered, or and of the location where ~~such~~ services have been rendered, no later than the first session of the Congress convened subsequent to such receipt.

(4) Development of Fund - Duties of the Department of Finance. The Division of Investment Management of the Department of Finance shall, upon approval of the President and in cooperation with the Department of External Affairs, actively seek foreign assistance funding, foster productive use of foreign assistance, and produce reports on the acquisition, use, expenditure of, and fiscal obligations attendant upon, foreign assistance available to or received by the National Government of the Federated States of Micronesia.

(5) Reports. No later than April 1 of each year, the President shall submit to the Congress a report on the status of the Foreign Assistance Fund, which report shall include:

(a) a complete and accurate accounting of

1 all foreign financial assistance received;

2 (b) a complete and accurate record of the

3 manner in which the foreign financial assistance was

4 distributed as among and between the States and the

5 National Government; and

6 (c) whether such distribution comports

7 with the provisions of article XII, section 1.(b) of

8 the Constitution."


9 Section 2. This act shall become law upon approval by

10 the President of the Federated States of Micronesia or upon

11 its becoming law without such approval.

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13 Date: 10/14/96

Introduced by: 

Nishima E. Yleizah

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