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A BILL FOR AN ACT

To further amend title 53 of the Code of the Federated States of Micronesia, as amended, by further amending section 606, as amended by Public Law No. 5-120, for the purpose of requiring congressional approval of the budget of the Social Security Administration, and for other purposes.

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

1 Section 1. Section 606 of title 53 of the Code of the Federated
2 States of Micronesia, as amended by Public Law No. 5-120, is hereby
3 further amended to read as follows:

4 "Section 606. Accounts, budget, and costs of
5 administration.

6 (1) At such time as the Social Security Board may
7 prescribe, the Social Security Administrator shall
8 submit to the Board on forms and in the manner
9 prescribed by the Board a detailed estimate of the budget
10 for the next ensuing fiscal year for the proper conduct of
11 the Social Security System. The Social Security
12 Administrator shall submit to the Board:

13 (a) the audited accounts of the income and
14 expenditure and the balance in the Social Security
15 Retirement Fund for the last completed fiscal year;

16 (b) a statement showing the estimated
17 income and expenditure for the fiscal year in progress,
18 together with such summaries, schedules, and supporting
19 data as may be deemed necessary;

20 (c) a statement showing the estimated
21 balance of the Social Security Retirement Fund at the
22 close of the fiscal year in progress; and

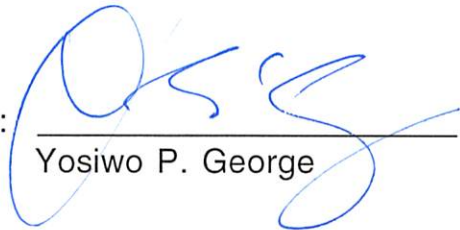
23 (d) a budget showing the estimated income
24 and expenditure for the next fiscal year.

25 (2) For the next ensuing fiscal year, the estimated

1 costs of administration including salaries and wages,
 2 purchase of office supplies, operational expenses, and
 3 the maintenance of branch offices shall not exceed an
 4 expenditure maximum equal to eleven percent of the
 5 estimated income for that year from contributions and
 6 interest and dividend income on investments less
 7 investment expenses. The audited accounts and the
 8 budget for the ensuing fiscal year shall be approved by
 9 the Board and submitted to the President and the
 10 Congress of the Federated States of Micronesia. Said
 11 Board-approved budget of the Social Security
 12 Administration shall require the approval of the
 13 Congress of the Federated States of Micronesia by
 14 resolution. **Should the estimated costs of**
 15 **administration exceed the expenditure maximum,**
 16 **legislative approval of the budgeted**
 17 **administration expenses is required."**

18 Section 2. This act shall become law upon approval by the
 19 President of the Federated States of Micronesia or upon its becoming
 20 law without such approval.

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 22 Date: 10/30/97

Introduced by: 
 Yosiwo P. George

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