THIRTEENTH CONGRESS OF THE FEDERATED STATES OF MICRONESIA

SECOND REGULAR SESSION, 2003

C.B. NO. 13-44

A BILL FOR AN ACT

To further amend title 55 of the Code of the Federated States of Micronesia, as amended, by amending section 317 thereof to allow funds that were originally designated as capital project funds under section 211 of the Compact of Free Association between the Federated States of Micronesia and the United States and which remain available to be transferred to the current accounts of the National and State governments for unrestricted use, and for other purposes.

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

1 Section 1.Section 317 of title 55 of the Code of the

2 Federated States of Micronesia is hereby amended to read as

3 follows.

4	"Section 317. [Close out of capital project accounts]
5	Capital project account close-out and transition.
6	Recognizing that the FSM has already met the 40%
7	requirement of section 211 of the Compact with respect
8	to capital project funds, it shall be possible, after
9	September 30, 2003, for funds to be transferred from the
10	capital account to the current account of a government
11	under certain circumstances, as set forth in subsections
12	(1) and (2) below.
13	(1) Available Compact capital project funds allotted
14	to the States or the National Government that lapse or
15	are de-appropriated pursuant to the laws of the
16	respective State or National Government shall revert to
17	the current account of the respective government upon

presentment of the relevant legislation to the Secretary
of Finance.

3 (2) The State finance officer will close out Compact 4 capital project accounts upon project completion and 5 ensure that no obligation of funds occurs after project 6 completion. The close-out process will be conducted on 7 The Secretary of Finance will assist in a timely basis. 8 the close-out procedure of capital accounts after three 9 months following project completion, if such close-out 10 has not been conducted by the State finance officer. 11 Unused spending authority resulting from project close-12 out will revert to the [unallotted capital] current account of the respective government and shall be 13 14 available for reallotment consistent with subsections 15 315(1) and 315(2) of this title [after appropriation for 16 valid capital account purposes]." 17 This act shall become law upon approval by the Section 2. President of the Federated States of Micronesia or upon its 18 becoming law without such approval. 19 20 21 Date: 10/15/03 Introduced by: /s/ Henry C. Asugar Henry C. Asugar 22 (by request)

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