A BILL FOR AN ACT

To further amend title 55 of the Code of the Federated States of Micronesia, as amended, by enacting a new chapter 8 thereof for the purpose of establishing a Compact Implementation Board and an FSM Compact Secretariat, and for other purposes.

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

Section 1. Title 55 of the Code of the Federated States of Micronesia, as amended, is hereby further amended by enacting a new chapter 8 thereof, entitled "Compact Implementation Board", for the purposes of (a) establishing a Compact Implementation Board to represent the interests of the Federated States of Micronesia in connection with matters relating to the Compact of Free Association between the Federated States of Micronesia and the United States, as amended ("the Compact"), and to manage certain functions and activities necessary to compliance with the Compact; and (b) establishing an FSM Compact Secretariat with the purpose of supporting the work of the Compact Implementation Board.

Section 2. Title 55 of the Code of the Federated States of Micronesia, as amended, is hereby further amended by enacting a new section 801 to read as follows:

"Section 801. Establishment of Board.
There is hereby established a Compact Implementation Board ("the Board") within the Federated States of Micronesia."
Section 3. Title 55 of the Code of the Federated States of Micronesia, as amended, is hereby further amended by enacting a new section 802 thereof to read as follows:

"Section 802. Appointment and removal of Board Members. 
(1) The Board shall comprise five members. One member shall be appointed by the President of the Federated States of Micronesia with the advice and consent of Congress. One member shall be appointed by each of the four States of the Federated States of Micronesia in such manner as may be established by State law.
(2) Each member of the Board shall be appointed for a term of two years, and may continue to serve on the Board until a replacement member has been duly appointed. Members may be reappointed to a second two-year term. A vacancy on the Board may be filled, pending appointment of a new member as provided in subsection (1), by the President, in the case of a vacancy in the position on the Board appointed by the National Government, or by the Governor of the appropriate State, in the case of a vacancy in the position appointed by that State.
(3) The member of the Board appointed by the National Government may be removed from the Board by a two-thirds vote of Congress. A member of the Board appointed by a State may be removed as may be provided by the law of that State."
Section 3. Title 55 of the Code of the Federated States of Micronesia, as amended, is hereby further amended by enacting a new section 803 thereof to read as follows:

"Section 803. Powers and responsibilities of the Board

The Board shall have the following powers and responsibilities:

(1) To represent the interests of the Federated States of Micronesia in matters relating to the Compact of Free Association between the Federated States of Micronesia and the United States, as amended ("the Compact");

(2) To appoint, as described more fully in section 804 hereof, one of the members of the Joint Economic Management Committee ("JEMCO") and the Trust Fund Board created under the Compact;

(3) To meet and consult with representatives of the National Government and the State Governments on matters relating to the Compact;

(4) To identify, consider and formulate positions, on behalf of the Federated States of Micronesia, with regard to issues to be addressed by JEMCO and other issues relating to implementation of the Compact, provided that the Board shall not alter either the proposals for Compact Sector Grant Awards submitted by the President to JEMCO on behalf of any of the governments or the Infrastructure Development Plan or Strategic Plan submitted by the Federated States of Micronesia, as amended;
Micronesia to JEMCO, and further provided that a vote of a majority of the Board members shall be required to approve positions or actions to be taken by the Board;
(5) To submit to JEMCO and the United States such reports, presentations and information as may be needed to support proposals to JEMCO for Sector Grant Awards, and to support positions taken on behalf of the Federated States of Micronesia on issues relating to implementation of the Compact;
(6) To ensure that reports required by the Compact are submitted on a timely basis;
(7) To provide oversight, and as the Board deems appropriate, to conduct investigations to ensure that the National Government and each of the State Governments is in compliance with all terms of the Compact;
(8) To direct the work of the FSM Compact Secretariat established by section 805 hereof and to appoint the staff of the Secretariat;
(9) To establish procedures or rules for conducting the business of the Board; and
(11) To report to the President, Congress and each of the States concerning the activities of the Board, the actions of JEMCO and the Trust Fund Board, and other significant matters relating to the Compact."

Section 4. Title 55 of the Code of the Federated States of
Micronesia, as amended, is hereby further amended by enacting a new section 804 thereof to read as follows:

"Section 804. Appointment of JEMCO and Trust Fund Board Members.

The member of the Board appointed by the National Government shall also serve as one of the members of JEMCO and of the Trust Fund Board, representing the Federated States of Micronesia. The Board shall select, by a vote of a majority of its members, one of its members to also serve as a member of JEMCO, representing the Federated States of Micronesia. The Board shall select one of its members to serve as a member of the Trust Fund Board, which member may, but need not be the same person chosen to serve on JEMCO."

Section 5. Title 55 of the Code of the Federated States of Micronesia, as amended, is hereby further amended by enacting a new section 805 to read as follows:

"Section 805. Establishment of the FSM Compact Secretariat.

There is hereby established an FSM Compact Secretariat ("the Secretariat"), which shall operate under the direction of the Board. The functions of the Secretariat shall include the following:

(1) To be principally responsible, on behalf of the Federated States of Micronesia, for day-to-day communications with JEMCO and the United States with
(2) Under the direction of the Board, to gather, develop and submit to JEMCO and the United States information, data and reports relating to Compact matters, including such reports as may be required by the Compact;

(3) Under the direction of the Board, to submit to the President, Congress and the States reports relating to the activities of the Secretariat and the Board, issues pertaining to the Compact, and actions by JEMCO and the Trust Fund Board;

(4) To gather information for the Board relating to compliance by the National Government and the States with the requirements of the Compact; and

(5) To do such further and additional things as may be directed by the Board."

Section 6. Title 55 of the Code of the Federated States of Micronesia, as amended, is hereby further amended, by enacting a new section 806 thereof to read as follows:

"Section 806. Cooperation from the governments.

The National Government and the State Governments and each of their respective departments and agencies shall cooperate with the Board and the Secretariat by providing such data, information and reports as may be requested. The Board shall have the power to issue subpoenas, enforceable by the courts of the Federated States of Micronesia, in the event that the Board finds
that any government has failed to provide requested data, information and reports in a timely manner."

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

Date: 9/2/04

Introduced by: /s/ Peter M. Christian

Peter M. Christian