A BILL FOR AN ACT

To further amend chapter 6 of title 55 of the Code of the Federated States of Micronesia, as amended, by creating a new subchapter XVIII to establish a revolving fund in order to authorize the state governments of the Federated States of Micronesia to access in advance funds from a national revolving fund subject to reimbursement by federal grants from the United States Government that will be made available to the state governments, appropriating \$500,000 seed money in the revolving fund, 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
- 2 Micronesia, as amended, is hereby further amended by creating a
- 3 new subchapter XVIII under chapter 6 entitled, "Federal Grant
- 4 Revolving Fund."
- 5 Section 2. Title 55 of the Code of the Federated States of
- 6 Micronesia, as amended, is hereby further amended by adding a new
- 7 section 1613 to subchapter XVIII under chapter 6, to read as
- 8 follows:
- 9 "Section 1613. There shall be established a revolving
- 10 fund called the "Federal Grant Revolving Fund." All
- 11 monies in the revolving fund shall not lapse until the
- revolving fund terminates pursuant to section 1615."
- 13 Section 3. Title 55 of the Code of the Federated States of
- 14 Micronesia, as amended, is hereby further amended by adding a new
- 15 section 1614 to subchapter XVIII under chapter 6, to read as

follows: 1 2 "Section 1614. The purpose of the revolving fund is to 3 provide to the state governments and the National 4 Government reliable funding in support of various United 5 States federal programs that are extended to the Federated States of Micronesia in anticipation of the 6 availability of federal funds from the United States 7 8 Government. The state governments shall procure timely 9 reimbursement of funds advanced from the revolving fund. 10 This provision is in addition to the authority of the 11 National Government to offsetting of funds pursuant to 12 section 1618." 13 Section 4. Title 55 of the Code of the Federated States of Micronesia, as amended, is hereby further amended by adding a new 15 section 1615 to subchapter XVIII under chapter 6, to read as 16 follows: 17 "Section 1615. The revolving fund shall without need of 18 any further act by Congress terminate two (2) years from 19 the date of approval of this act, or by September 30, 20 2015, whichever comes first. All remaining balance in 21 the revolving fund shall automatically revert to the 22 General Fund upon termination of the revolving fund." 23 Section 5. Title 55 of the Code of the Federated States of Micronesia, as amended, is hereby further amended by adding a new 24 section 1616 to subchapter XVIII under chapter 6, to read as

1	follows:	
2	"Section 1616. The state governments shall without	<u>-</u>
3	delay reimburse the National Government on all amou	ınts
4	advanced from the revolving fund. It is the obliga	ation
5	of the states to process in a timely manner the	
6	paperwork, report, and justification on the use, or	<u>.</u>
7	proposed use, of federal grant funds. The states s	shall
8	expeditiously address any request for additional	
9	information or justification by the National Govern	ment
10	or grantor of federal funds."	
11	Section 6. Title 55 of the Code of the Federated States	of
12	Micronesia, as amended, is hereby further amended by adding a	a new
13	section 1617 to subchapter XVIII under chapter 6, to read as	
14	follows:	
15	"Section 1617. The Secretary of the Department of	
16	Finance and Administration shall make a report to t	:he
17	President and Congress on the status of the revolvi	ng
18	fund and recommend action in case of shortage there	<u>eof</u> ."
19	Section 7. Title 55 of the Code of the Federated States	of
20	Micronesia, as amended, is hereby further amended by adding a	a new
21	section 1618 to subchapter XVIII under chapter 6, to read as	
22	follows:	
23	"Section 1618. If any amount is owed by the state	
24	governments to the revolving fund, then the Nationa	<u>al</u>
25	Government is entitled to offset such amount owing	with

1	any funds held by the National Government on behalf of
2	the state governments."
3	Section 8. Title 55 of the Code of the Federated States of
4	Micronesia, as amended, is hereby further amended by adding a new
5	section 1619 to subchapter XVIII under chapter 6, to read as
6	follows:
7	"Section 1619. The Secretary of the Department of
8	Finance and Administration shall recommend to the
9	President for his approval the necessary guidelines and
10	procedures in order to give effect to the provisions of
11	this subchapter."
12	Section 9. Appropriation. The amount \$500,000 is hereby
13	appropriated into the Federal Grant Revolving Fund from the
14	General Fund of the Federated States of Micronesia for fiscal year
15	ending September 30, 2013. This amount shall not lapse, except in
16	accordance with section 1615.
17	Section 10. Effective date. This act shall be become law
18	upon approval by the President of the Federated States of
19	Micronesia or upon its becoming law without such approval.
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21	Date: 4/17/13 Introduced by: /s/ Florencio S. Harper
22	Florencio S. Harper (by request)
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