A BILL FOR AN ACT

To further amend section 1208 of title 55 of the Code of the Federated States of Micronesia (Annotated), as enacted by Public Law No. 10-150 and as amended by Public Law No. 18-74, to change the composition of the Board of Trustees of the FSM Trust Fund, and for other purposes.

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

Section 1. Section 1208 of title 55 of the Code of the Federated States of Micronesia (Annotated), as amended by Public Law No. 18-74, is hereby further amended to read as follows:

"Section 1208. Board.

(1) The Fund shall have a Board of Trustees consisting of five trustees. One of these trustees shall be the Secretary of Finance and Administration, who shall serve as an ex officio member of the Board. [one member] The remaining four trustees shall be appointed by the President of the Federated States of Micronesia with the advice and consent of Congress. [The Governor of each State of the Federated States of Micronesia shall appoint one member of the Board with the advice and consent of the respective State legislative bodies.] The [M]inimum qualification for services as a member of the Board shall be a bachelor’s degree in finance or a related field, and five years of experience in the area of finance. Board members shall serve a term of four years. The President of the Federated
States of Micronesia may recall [the National Government appointees] to the Board. [The Governor of the respective State may recall its appointee to the Board.] The Board shall elect a Chairman from amongst its members.

(2) All powers of the Fund shall be vested in and exercisable by the Board.

(3) The functions of the Board shall include:

(a) obtaining, along with others, contributions to the Fund;

(b) operation, supervision and management of the Fund; and

(c) investment and distribution of resources of the Fund.

(4) Trustees shall serve as such without payment of compensation from the Fund or any other source. Reasonable expenses of the Board itself shall be provided for annually in the national budget of the FSM and not paid out of the Fund.

(5) The Board shall meet at least once per year and additionally as necessary, and reasonable notice shall be given of meetings.

(6) For the purposes of meetings of the Board, three-fifths of trustees shall constitute a quorum.

(7) Except where otherwise provided in this chapter, questions before the Board shall be decided by a majority
of votes of trustees present and voting at the meeting.

(8) The Board shall establish its own bylaws and rules of procedure.

(9) All expenses of the Board shall be subject to appropriation, and shall not be considered expenses of the Fund under section 1212."

Section 2. 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: 1/29/18

Introduced by: /s/ Wesley W. Simina

Wesley W. Simina