A BILL FOR AN ACT

To amend section 1204 of title 55 of the Code of the Federated States of Micronesia (Annotated), as amended by Public Law No. 19-67, to clarify the purpose of the FSM Trust Fund, and for other purposes.

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

- 1 Section 1. Section 1204 of title 55 of the Code of the
- 2 Federated States of Micronesia (Annotated), as amended by Public
- B Law No. 19-67, is hereby further amended to read as follows:
- 4 "Section 1204. Purpose.
 - (1) [The purpose of the Account A and Account B portion of the Fund is to create a] The purpose of Account A and Account B of the FSM Trust Fund is to offset shortfalls in local revenues for the FSM Government. The accounts shall be managed with a disciplined approach to ensure the protection of the Fund's Real Value into perpetuity while providing a sustainable source to supplement the needs of the General Fund. Specifically, the accounts shall:
 - (a) assist the National Government and other participating governments to achieve greater financial autonomy in the management of their recurrent budgets;
 - (b) enable the FSM at all levels of government to meet long-term maintenance and operating costs of social and economic infrastructure; and

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1	(c) enable the FSM at all levels of government
2	to improve existing levels of social and economic
3	infrastructure.
4	(2) The purpose of the State Sub-Account's A and B
5	of the Fund are distinct and defined in section 1217 of
6	this chapter."
7	Section 2. This act shall become law upon approval by the
8	President of the Federated States of Micronesia or upon its
9	becoming law without such approval.
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11	Date: 7/17/19 Introduced by: /s/ Wesley W. Simina
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