

AN ACT

To further amend title 55 of the Code of the Federated States of Micronesia, as amended, by adding a new section 210 in order to establish a Foreign Assistance Fund as authorized by article XII, section 1(b) of the Constitution, by renumbering sections 210 through 227, 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 is hereby further amended by adding a new section 210 of  
3 chapter 2 to read as follows:

4 "Section 210. Foreign Assistance Fund.

5 (1) Definitions.

6 (a) 'Agreement' means an agreement in any form  
7 entered into by any official of the National Government or  
8 its designee for the acceptance or receipt of  
9 foreign financial assistance or aid on behalf of any  
10 National or State governmental entity.

11 (b) 'Foreign financial assistance' means any  
12 foreign aid or assistance, whether in the form of currency,  
13 goods, services, loans or other tangible or intangible  
14 assets, offered to the National Government of the Federated  
15 States of Micronesia or to any individual State or  
16 States within the Federated States of Micronesia by any  
15 foreign government, other than foreign aid or assistance  
16 required by law to be deposited in the General Fund or the  
17 Program Fund, or the Compact Financial Assistance Fund.  
18 Nothing in this act shall be interpreted to preclude any  
19 State or States within the Federated States of Micronesia  
20 from entering into agreements for financial assistance from  
21 any private person or entity.

22 (2) Approval by Congress. Any agreement for the

1 acceptance or receipt of foreign financial assistance shall  
2 be submitted to the Congress of the Federated States of  
3 Micronesia by the President of the Federated States of  
4 Micronesia no later than the next session of Congress  
5 following such agreement, for approval by resolution.

6 (3) Foreign Assistance Fund. There is hereby created  
7 within the National Treasury of the Federated States of  
8 Micronesia a Foreign Assistance Fund which shall receive  
9 and record all foreign financial assistance as defined in  
10 subsection (1) of this section pursuant to the Financial  
11 Management Act of 1979. The President or his designee  
12 shall notify Congress of the receipt of foreign  
13 assistance and the deposit of such assistance or the  
14 equivalent expressed in U.S. dollars to the Fund, no later  
15 than the next session of Congress following such  
16 receipt. Initially, the Fund shall consist of all prior  
17 year unobligated balances of foreign assistance funds and  
18 all foreign assistance funds designated for the National  
19 Government and made available beginning October 1, 1994.

20 (4) Development Assistance Unit. The President shall  
21 establish a Development Assistance Unit within the  
22 investment group of the Department of Finance, which unit  
23 shall actively seek foreign assistance funding upon approval  
24 of the President, foster productive use of foreign  
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