A BILL FOR AN ACT

To further amend title 55 of the Code of the Federated States of Micronesia, as amended, by adding a new subchapter IX for the purpose of establishing a Judgment and Settlement Fund; to appropriate $100,000 from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1994 for the purpose of funding the Judgment and Settlement 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 Micronesia is hereby further amended by adding a new section 660 of subchapter IX of chapter 6 to read as follows:

"Section 660. Definitions. As used in this subchapter, unless the context requires otherwise:

(1) 'Attorney General' means the Attorney General of the Federated States of Micronesia.

(2) 'Fund' means the Judgment and Settlement Fund.

(3) 'Judgment' means a final determination of a court of competent jurisdiction upon matters submitted to it.

(4) 'President' means the President of the Federated States of Micronesia.

(5) 'Secretary' means the Secretary of the Federated States of Micronesia Department of Finance.

(6) 'Settlement' means a compromise achieved by the adverse parties in a civil suit before final judgment, whereby they agree between themselves upon their respective rights and obligations, thus eliminating the necessity of judicial resolution of the controversy."

2 Section 2. Title 55 of the Code of the Federated States of Micronesia is hereby further amended by adding a new section 661 of subchapter IX of chapter 6 to read as follows:

"Section 661. Establishment.

(1) There is hereby established a Judgment and Settlement Fund to be used to pay judgments entered against
the Federated States of Micronesia and settlements entered
into against the Federated States of Micronesia which do
not exceed $5,000.

(2) Moneys for the Fund shall be derived from
appropriations by law and shall not lapse.

(3) The Fund shall be administered by the Secretary;
PROVIDED, however, that no judgment may be paid without the
written approval of the Attorney General, and PROVIDED
FURTHER, that no settlement may be paid without the written
approval of the President and the Attorney General."

Section 3. Title 55 of the Code of the Federated States of
Micronesia is hereby further amended by adding a new section 662
of subchapter IX of chapter 6 to read as follows:

"Section 662. Reporting. Within 5 days of each payment
from the Fund, the Secretary shall make a written report to
the Congress setting forth the amount of the payment and
the remaining balance of the Fund."

Section 4. The sum of $100,000 is hereby appropriated from the
General Fund of the Federated States of Micronesia for the fiscal
year ending September 30, 1994, for the purpose of funding the
Judgment and Settlement Fund established pursuant to section 661 of
chapter 6 of title 55 of the Code of the Federated States of
Micronesia.

Section 5. All funds appropriated by this act shall be
allotted, managed, administered, and accounted for in accordance with
applicable law, including, but not limited to, the Financial
Management Act of 1979. The allottee shall be responsible for
ensuring that these funds, or so much thereof as may be necessary,
are used solely for the purpose specified in this act, and that no
obligations are incurred in excess of the sum appropriated. The
authority of the allottee to obligate funds appropriated by this act
shall not lapse.

Section 6. 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: 10/22/93

Introduced by:

[Signature]

Wagner Lawrence