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A BILL FOR AN ACT

To further amend title 55 of the Code of the Federated States of Micronesia, as amended, by further amending section 223, as amended by Public Law No. 6-52, for the purpose of changing from thirty days to ten days the period within which the Secretary of Finance must disburse payments on valid obligations, to renumber sections 223A, 223B and 223C, and other purposes.

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

1 Section 1. Section 223 of Title 55 of the code of the Federated  
2 States of Micronesia, as amended by Public Law No. 6-52, is hereby further  
3 amended as follows:

4 "Section 223. Disbursement Procedures.  
5 Unless otherwise specifically provided by law, the following  
6 procedures shall control the administration and management  
7 of all funds appropriated from the General Fund of the  
8 Federated States of Micronesia or made available to the  
9 Federated States of Micronesia from other sources:

10 (1) All such funds shall remain in the custody and  
11 control of the Secretary of Finance until they are obligated and  
12 disbursed by him in accordance with law.

13 (2) Such funds shall be deemed to be obligated as of  
14 the date the person or entity to whom the funds are allotted  
15 enters into a legally binding written agreement supported by  
16 the documentary evidence required by section 218 of this  
17 chapter or rules and regulations issued pursuant to authority  
18 vested by section 227 of this chapter.

19 (3) The Secretary of Finance shall ~~disburse such funds~~  
20 ~~as may be required to liquidate valid obligations within thirty~~  
21 ~~days of their becoming payable, as indicated by valid~~  
22 ~~documentary evidence of such obligation and a valid claim for~~  
23 ~~payment, if required by the terms of the document evidencing~~  
24 ~~the obligation, pay all invoices when presented.~~

1 Section 223A. Representation expenses and official expense  
2 allowances - Advances. (4) Representation expenses and  
3 official expense allowance expenses shall be accounted for by  
4 affidavit, written contract or written receipt. The Secretary of  
5 Finance, upon specific written request containing specific  
6 justification satisfactory to the Secretary of Finance, may  
7 make advance payments of representation expenses and  
8 advance payments of official expense allowances if the  
9 recipient of such advance payment agrees to submit affidavits  
10 or receipts for actual expenditures and return to the  
11 Secretary of Finance all amounts advanced but not accounted  
12 for by affidavit, contract or receipt no later than 30 days  
13 prior to the end of the fiscal year."

14 "Section 223B. Representation and official expense allowance -  
15 Definitions. (5) Definitions:

16 (a) For purposes of this chapter, 'official expense  
17 allowance expense' means expenses incurred for goods or  
18 services necessary to carry out the official duties of the  
19 allottee or sub-allottee.

20 (b) For purposes of this chapter, 'representation  
21 expense' means expenses incurred in the course of official  
22 public relations, entertainment activities or constituent services  
23 necessary to advance the purposes and goals of the National  
24 Government."

25 "Section 223C. Purchases of supplies and personal property

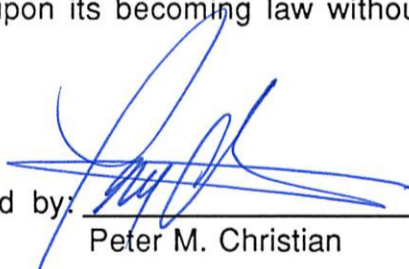
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C.B. No. 8-345

1 involving less than \$1,000. (6) For any purchase of supplies  
 2 and personal property involving less than \$1,000, including the  
 3 cost of shipping, the Secretary of Finance or his designee shall  
 4 approve such purchase upon certification of the availability of  
 5 funds for such purchase and upon satisfaction of the  
 6 requirements under section 218 of this chapter pertaining to  
 7 documentary evidence; PROVIDED, however, that the head  
 8 officer of each branch of the National Government shall have  
 9 the authority to prescribe a more restrictive rule which shall be  
 10 binding upon that branch with the full force and effect of the  
 11 law. For purposes of this section, the Office of the Public  
 12 Auditor shall be considered a separate branch of the National  
 13 Government. For purposes of this section, the agencies,  
 14 boards authorities, commissions and corporations of the  
 15 National Government shall be considered part of the executive  
 16 branch."

17 Section 2. This act shall become law upon approval by the President  
 18 of the Federated States of Micronesia or upon its becoming law without  
 19 such approval.

20  
 21 Date: 11/2/94

Introduced by:   
 Peter M. Christian