

A BILL FOR AN ACT

To further amend section 210 of title 55 of the Code of the Federated States of Micronesia (Annotated), as amended by Public Law No. 19-149, to not only require Congress approval of U.S. federally funded program grant awards under \$200,000, and for other purposes.

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

1 Section 1. Section 210 of title 55 of the Code of the
2 Federated States of Micronesia (Annotated), as amended by Public
3 Law No. 19-149, is hereby further amended to read as follows:

4 "Section 210. Foreign Financial Assistance.

5 (1) Definitions.

6 (a) "Agreement" shall refer to any agreement,
7 understanding, covenant, compact, transacting or other
8 agreement, in any form, entered into by and between an
9 official of the National Government, or the National
10 Government's designee, and a foreign governmental entity,
11 for the receipt or acceptance of financial assistance or
12 aid, on behalf of any National or State governmental entity.

13 (b) "Foreign financial assistance" shall refer to
14 currency, money, accounts or notes receivable offered as aid
15 or assistance to the National Government of the Federated
16 States of Micronesia[~~+~~], other than foreign aid or
17 assistance received from the United States of America.

1 (c) "Foreign in-kind assistance" shall refer to any
2 and all foreign assistance in the form of goods, services or
3 other modes of assistance not covered under subsection
4 (1)(b) hereof.

5 (2) Approval by Congress. U.S. federally funded program
6 grant awards under [~~\$100,000~~]\$200,000 do not require
7 approval by Congress by resolution. All other foreign
8 financial assistance in any amount requires approval by
9 Congress by resolution. The President shall submit any
10 agreement for the acceptance or receipt of foreign financial
11 assistance to the Congress no laterer than the first regular
12 or special session or special session [~~e~~]o Congress
13 convene[d]s immediately subsequent to the execution of such
14 agreement, for approval by resolution.

15 (a) No such agreement shall be valid, and no
16 funds may be received pursuant to such agreement, unless and
17 until the requirements of this section have been met.
18 Foreign financial assistance of up to \$10,000 may be
19 disbursed by the President in accordance with the terms and
20 conditions of the assistance.

21 (b) Should the Congress not approve such
22 agreement by resolution before the adjournment of the first
23 regular session following the President's submission of the
24 agreement to Congress, that agreement shall be deemed
25 disapproved.

1 (c) Any first time application for foreign financial
2 assistance shall require the approval by Congress through
3 resolution.

4 (3) Foreign Assistance Fund. There is hereby
5 established within the National Treasury of the Federated
6 States of Micronesia a Foreign Assistance Fund which shall
7 initially consist of all unobligated balances of foreign
8 assistance funds from the preceding fiscal year, and all
9 foreign assistance funds designated for the National
10 ~~[§]~~Government and made available beginning October 1, 1996.
11 Thereafter, the Department of Finance and Administration
12 shall receive~~[7]~~ and maintain a complete record ~~[ø]~~, ~~[and]~~
13 where applicable, of all deposits of ~~[all]~~ foreign
14 financial assistance as defined in subsection (1) of this
15 section into the Fund, pursuant to the Financial Management
16 Act of 1979.

17 (a) The President or the President's designee shall
18 notify the Congress of the receipt of foreign financial
19 assistance, the amount thereof in U.S. dollars, and, where
20 applicable, the deposit or such assistance into the Fund,
21 no later than the first session of Congress, be it regular
22 or special, convened subsequent to such receipt.

23 (b) Where the foreign financial assistance received
24 is denominated in the form of goods or services, the
25 President or the President's designee shall notify the

1 [e]Congress of the value thereof in U.S. dollars, and the
2 designation where such goods have been delivered, or
3 location of where such services have been rendered, no
4 later tha[t]n the first session of the Congress convened
5 subsequent to such receipt.

6 (4) Development of Fund – Duties of the Department of
7 Finance and Administration. The Division of Investment
8 Management of the Department of Finance and Administration
9 shall, upon approval of the President, actively seek foreign
10 assistance funding, foster productive use of foreign
11 assistance, and produce reports on the acquisition, use,
12 expenditures of, and fiscal obligations attendant upon,
13 foreign assistance available to or received by the National
14 Government of the Federated States of Micronesia.

15 (5) Reports. No later than April 1 of each year, the
16 President shall submit to the Congress a report on the
17 status of the Foreign Assistance Fund, which report shall
18 include:

19 (a) a complete and accurate accounting of all foreign
20 financial assistance received;

21 (b) a complete and accurate record of the manner in
22 which the foreign financial assistance was distributed as
23 among and between the States and the National Government;
24 and

25 (c) whether such distribution comports with the

1 provisions of article XII, section 1(b) of the
2 Constitution.”

3 Section 2. This act shall become law upon approval by the
4 President of the Federated States of Micronesia or upon its
5 becoming law without such approval.

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7 Date: 1/18/24

Introduced by: /s/ Perpetua S. Konman
Perpetua S. Konman

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