

AN ACT

To appropriate the sum of \$2,000,000 from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 2023, for the purpose of funding short-term loans to States to provide funding for continued and uninterrupted operations of State Governments, to be repaid from said State's share of fishing access fees, and for other purposes.

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

1           Section 1. Purpose. The purpose of this Act is to provide  
2 funding for short-term loans to States that need temporary  
3 financial assistance for continued and uninterrupted operations  
4 while awaiting receipt of 2023 Compact Funds.

5           Section 2. Appropriation. The sum of \$2,000,000 is hereby  
6 appropriated from the General Fund of the Federated States of  
7 Micronesia for the fiscal year ending September 30, 2023, for the  
8 purpose of funding short-term loans to the States, subject to the  
9 conditions below. The funds appropriated under this section shall  
10 be apportioned as follows:

11           1. Short-term loans to the States..... ..\$2,000,000

12           Section 3. A State facing a budgetary shortfall for fiscal  
13 year 2024 may apply for a short-term loan from the National  
14 Government; PROVIDED THAT, said loan shall be repaid by  
15 deducting the loan amount from that State's share of fishing  
16 access fees prior to any other fishing access fee revenue being  
17 distributed to the State. Prior to the execution of a loan

1 agreement with the State (1) the Secretary of Finance shall  
2 conduct a review of the State's fiscal position and find the  
3 loan is necessary for the continued operations of the State; and  
4 (2) the applicable State Legislature must approve the guarantee  
5 of payment.

6 Section 4. The Secretary of Finance and Administration is  
7 authorized to enter into loan agreements with a State to  
8 effectuate the provisions of this Act.

9 Section 5. Allotment and management of funds and lapse  
10 date. All funds appropriated by this act shall be allotted,  
11 managed, administered and accounted for in accordance with  
12 applicable laws, including, but not limited to, the Financial  
13 Management Act of 1979. The allottee shall be responsible for  
14 ensuring that these funds, or so much thereof as may be  
15 necessary, are used solely for the purpose specified in this  
16 act, and that no obligations are incurred in excess of the sum  
17 appropriated. The allottee of the funds appropriated under this  
18 act shall be the President. The authority of the allottee under  
19 this act may be sub-allotted to a cabinet secretary or  
20 secretaries in accordance with the Financial Management Act and  
21 shall lapse on September 30, 2024.

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1           Section 6. This Act shall become law upon approval by the  
2 President of the Federated States of Micronesia or upon its  
3 becoming law without such approval.

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October 6 \_\_\_\_\_, 2023

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/s/ Wesley W. Simina

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Wesley W. Simina

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President

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Federated States of Micronesia

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