A BILL FOR AN ACT

To further amend title 55 of the Code of the Federated States of Micronesia, as amended, by amending section 106 [and 108] to change the date by which the Congress of the Federated States of Micronesia must enact an annual budget[, to broaden the criteria for determining the availability of funds for the National Government], and for other purposes.

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

- 1 Section 1. Section 106 of title 55 of the Code of the
- 2 Federated States of Micronesia is hereby amended to read as
- 3 follows:
- 4 "Section 106. Appropriations by Congress.
- 5 (1) The Congress, after receipt of the proposed budget 6 from the President and no later than [August 29] 7 September 30 of each year, shall by act, adopt the 8 annual budget of the National Government of the ensuing 9 fiscal year. In no event shall the budget adopted or 10 any amendments thereto provide funding for 11 personnel, contractual services, or travel expenses of 12 any branch or agency of the National Government in an 13 amount greater than 110 percent of the aggregate funding 14 appropriated for such branch or agency for such 15 categories in the initial budget act of the immediately 16 preceding fiscal year, except where funding in excess of 17 such limit shall be deemed essential by the Congress on 18 the face of the appropriating legislation.

1	(2) Congress may alter the budget submitted by the
2	President in any respect.
3	(3) The budget alteration authority of Congress shall
4	be executed by means of appropriations legislation.
5	Appropriations or authorizations for the expenditure of
6	funds shall be made by law, except as provided in
7	section 108 of this chapter.
8	(4) Congress may restrict by law the expenditure of
9	funds for a specific purpose."
10	[Section 2. Section 108 of title 55 of the Code of the
11	Federated States of Micronesia is hereby amended to read as
12	follows:
13	"Section 108. Continuing resolution.
14	In the event a budget has not become law prior to the
15	beginning of a fiscal year, the head of each branch of
16	Government and the head of each agency established by
17	law may continue to expend funds for National Government
18	operations expenses after the beginning of the fiscal
19	year upon the adoption by Congress of a continuing
20	resolution. Such expenditures shall be in accordance
21	with appropriations laws appropriating funds for the
22	immediately preceding fiscal year. A continuing
23	resolution of the Congress which would authorize the
24	expenditure of Compact financial assistance is hereby
25	made conditional on such funds being available to the

1	National Government as of the beginning of the relevant
2	fiscal year, either pursuant to a continuing resolution
3	adopted by the United States Congress or pursuant to
4	appropriation acts of the United States Congress or
5	pursuant to other action by the Government of the United
6	States deemed sufficient proof of the availability of
7	such funds by the President of the Federated States of
8	<u>Micronesia."</u>]
9	Section $[\frac{3}{2}]$ This act shall become law upon approval by the President
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11	Date: 8/25/03 Introduced by: /s/Henry C. Asugar
12	Henry C. Asugar
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