A BILL FOR AN ACT

To further amend title 55 of the Code of the Federated States of Micronesia, as amended, by amending section 224 thereof to provide for the submittal to Congress of periodic reports on public project accounts, and for other purposes.

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

Section 1. Section 224 of title 55 of the Code of the Federated States of Micronesia is hereby amended to read as follows:

"Section 224. Disbursement procedures.

Unless otherwise specifically provided by law, the following procedures shall control the administration and management of all funds appropriated from the General Fund of the Federated States of Micronesia or made available to the Federated States of Micronesia from other sources:

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

(2) Such funds shall be deemed to be obligated as of the date the person or entity to whom the funds are allotted enters into a legally binding written agreement supported by the documentary evidence required by section 219 of this chapter or rules and regulations.
issued pursuant to authority vested by section 228 of
this chapter.

(3) The Secretary of Finance shall disburse such funds
as may be required to liquidate valid obligations within
30 days of their becoming payable, as indicated by valid
documentary evidence of such obligation and a valid
claim for payment, if required by the terms of the
document evidencing the obligation.

(4) Fund Balances.

(a) At least twice in each fiscal year, the
Secretary of Finance shall submit to the Congress of the
Federated States of Micronesia a list of all public
project accounts with a positive fund balance and, with
respect to each such account, the following information.

   (i) an identification of the public law that
   appropriated the funds in that project account;
   (ii) an identification of the allottee for
   such funds; and
   (iii) the amount of funds initially
   appropriated for that account, the total amount of
   disbursements from the project account, and the amount
   of funds remaining in the account.

(b) Such information shall be submitted to
Congress no later than May 1 of each year, reporting on
the status of project accounts as of March 31 of that
year, and no later than November 1 of each year.
reporting on the status of project accounts as of
September 30 of that year.

(c) The information provided to Congress under this subsection shall include a statement from the Secretary of Finance, under oath, that said information is true and accurate."

Section 2. 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: 4/5/04

Introduced by: /s/ Sabino S. Asor

Sabino S. Asor