
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 provide for a \$100,000 threshold for foreign assistance before Congress approval to such foreign assistance is necessary, 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
11 entity, for the receipt or acceptance of financial
12 assistance or aid, on behalf of any National or State
13 governmental entity.

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

1 United States of America.

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

6 (2) Approval by Congress. All foreign financial
7 assistance including U.S. federally funded program
8 grant awards under \$100,000 do not require approval by
9 Congress by resolution. All [other] foreign financial
10 assistance in [any] the amount of \$100,000 or more
11 requires approval by Congress by resolution. The
12 President shall submit any agreement for the
13 acceptance or receipt of foreign financial assistance
14 to the Congress no late than the first regular or
15 special session congress convened immediately
16 subsequent to the execution of such agreement, for
17 approval by resolution.

18 (a) No such agreement shall be valid, and no
19 funds may be received pursuant to such agreement,
20 unless and until the requirements of this section have
21 been met. [~~Foreign financial assistance of up to~~
22 ~~\$10,000 may be disbursed by the President in~~
23 ~~accordance with the terms and conditions of the~~
24 ~~assistance.~~]

25 (b) Should the Congress not approve such

1 agreement by resolution before the adjournment of the
2 first regular session following the President's
3 submission of the agreement to Congress, that
4 agreement shall be deemed disapproved.

5 (c) Any first time application for foreign
6 financial assistance shall require the approval by
7 Congress through a resolution.

8 (3) Foreign Assistance Fund. There is hereby
9 established within the National Treasury of the
10 Federated States of Micronesia a Foreign Assistance
11 Fund which shall initially consist of all unobligated
12 balances of foreign assistance funds from the receding
13 fiscal year, and all foreign assistance funds
14 designated for the National government and made
15 available beginning October 1, 1996. Thereafter, the
16 Department of Finance shall receive, maintain a
17 complete record o, and where applicable, deposit all
18 foreign financial assistance as defined in subsection
19 (1) of this section into the Fund, pursuant to the
20 Financial Management Act of 1979.

21 (a) The President or the President's designee
22 shall notify the Congress of the receipt of foreign
23 financial assistance, the amount thereof in U.S.
24 dollars, and, where applicable, the deposit or such
25 assistance into the Fund, no later than the first

1 session of Congress, be it regular or special,
2 convened subsequent to such receipt.

3 (b) Where the foreign financial assistance
4 received is denominated in the form of goods or
5 services, the President or the President's designee
6 shall notify the congress of the value thereof in U.S.
7 dollars, and the designation where such goods have
8 been delivered, or location of where such services
9 have been rendered, no later that the first session of
10 the Congress convened subsequent to such receipt.

11 (4) Development of Fund – Duties of the Department
12 of Finance. The Division of Investment Management of
13 the Department of Finance shall, upon approval of the
14 President and in cooperation with the Department of
15 Foreign Affairs, actively seek foreign assistance
16 funding, foster productive use of foreign assistance,
17 and produce reports on the acquisition, use,
18 expenditure of, and fiscal obligations attendant upon,
19 foreign assistance available to or received by the
20 National Government of the Federated States of
21 Micronesia.

22 (5) Reports. No later than April 1 of each year,
23 the President shall submit to the Congress a report on
24 the status of the Foreign Assistance Fund, which
25 report shall include:

1 (a) a complete and accurate accounting of all
2 foreign financial assistance received;

3 (b) a complete and accurate record of the
4 manner in which the foreign financial assistance was
5 distributed as among and between the States and the
6 National Government; and

7 (c) whether such distribution comports with the
8 provisions of article XII, section 1(b) of the
9 Constitution.”

10 Section 2. This act shall become law upon approval by the
11 President of the Federated States of Micronesia (Annotated), as
12 amended, or upon its becoming law without such approval.

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14 Date: 1/17/19

Introduced by: /s/ Esmond B. Moses
Esmond B. Moses

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