
A BILL FOR AN ACT

To further amend section 1208 of title 55 of the Code of the Federated States of Micronesia (Annotated), as enacted by Public Law No. 10-150 and as amended by Public Law No. 18-74, to change the composition of the Board of Trustees of the FSM Trust Fund, and for other purposes.

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

1 Section 1. Section 1208 of title 55 of the Code of the
2 Federated States of Micronesia (Annotated), as amended by Public
3 Law No. 18-74, is hereby further amended to read as follows:

4 Section 1208. Board.

5 (1) The Fund shall have a Board of Trustees consisting
6 of five trustees. One of these trustees shall be the
7 Secretary of Finance and Administration, who shall serve as
8 an ex officio member of the Board. [one member] The
9 remaining four trustees shall be appointed by the President
10 of the Federated States of Micronesia with the advice and
11 consent of Congress. [~~The Governor of each State of the~~
12 ~~Federated States of Micronesia shall appoint one member of~~
13 ~~the Board with the advice and consent of the respective~~
14 ~~State legislative bodies.~~] The [M]minimum qualification
15 for services as a member of the Board shall be a bachelor's
16 degree in finance or a related field, and five years of
17 experience in the area of finance. Board members shall
18 serve a term of four years. The President of the Federated

1 States of Micronesia may recall [~~the National Government~~
2 appointees] to the Board. [~~The Governor of the respective~~
3 ~~State may recall its appointee to the Board.~~] The Board
4 shall elect a Chairman from amongst its members.

5 (2) All powers of the Fund shall be vested in and
6 exercisable by the Board.

7 (3) The functions of the Board shall include:

8 (a) obtaining, along with others, contributions to
9 the Fund;

10 (b) operation, supervision and management of the
11 Fund; and

12 (c) investment and distribution of resources of the
13 Fund.

14 (4) Trustees shall serve as such without payment of
15 compensation from the Fund or any other source. Reasonable
16 expenses of the Board itself shall be provided for annually
17 in the national budget of the FSM and not paid out of the
18 Fund.

19 (5) The Board shall meet at least once per year and
20 additionally as necessary, and reasonable notice shall be
21 given of meetings.

22 (6) For the purposes of meetings of the Board, three-
23 fifths of trustees shall constitute a quorum.

24 (7) Except where otherwise provided in this chapter,
25 questions before the Board shall be decided by a majority

1 of votes of trustees present and voting at the meeting.

2 (8) The Board shall establish its own bylaws and rules of
3 procedure.

4 (9) All expenses of the Board shall be subject to
5 appropriation, and shall not be considered expenses of the
6 Fund under section 1212."

7 Section 2. This act shall become law upon approval by
8 the President of the Federated States of Micronesia or upon
9 its becoming law without such approval.

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11 Date: 1/29/18

Introduced by: /s/ Wesley W. Simina
Wesley W. Simina

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