
A BILL FOR AN ACT

To further amend title 55 of the Code of the Federated States of Micronesia (Annotated), as amended, by amending section 102 of chapter 1 and by enacting a new section 112, for the purpose of providing the President with a procedure for deferral of appropriated funds, and for other purposes.

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

1 Section 1. Section 102 of chapter 1 of title 55 of the Code
2 of the Federated States of Micronesia (Annotated), as amended, is
3 hereby further amended, to read as follows:

4 “Section 102. Definitions.

5 When used in this chapter:

6 (1) “Agency” means any agency, commission,
7 authority, board, bureau, or other organization of the
8 National Government established by law, and not
9 specifically part of one of the three branches of the
10 National Government.

11 (2) “Annual budget” refers to the annual request for
12 new obligation and expenditure authority during the
13 ensuing fiscal year by all branches and agencies of the
14 National Government for all purposes, including, but not
15 limited to, Government operations, development programs
16 and projects, special programs, contributions, grants,
17 and subsidies.

1 (3) "Appropriation" refers to a law enacted by
2 Congress which authorizes the National Government to
3 incur obligations and to make payments out of the
4 National Treasury in accordance with law.

5 (4) "Compact" refers to the Compact of Free
6 Association, as amended, and its related agreements
7 entered into by and between the Government of the
8 Federated States of Micronesia and the Government of the
9 United States and enacted as United States Public Law
10 No. 108-188, unless otherwise specified herein.

11 (5) "Congress" refers to the Congress of the
12 Federated States of Micronesia

13 (6) "Deferral" refers to the unauthorized refusal to
14 expend appropriated funds.

15 (~~6~~7) "Development Plan" refers to the Development
16 Plan of the Federated States of Micronesia prepared
17 pursuant to title two, section 211 of the Compact, and
18 the infrastructure development plan of the Federated
19 States of Micronesia prepared pursuant to Article V,
20 section 1(e) of the Fiscal Procedures Agreement.

21 (~~7~~8) "Executive Branch" refers to the executive
22 branch of the National Government of the Federated
23 States of Micronesia.

24 (~~8~~9) "Fiscal Procedures Agreement" means the
25 Agreement Concerning Procedures for the Implementation

1 of United States Economic Assistance Provided in the
2 Compact of Free Association, as amended, Between the
3 Government of the United States and the Government of
4 the Federated States of Micronesia, entered into in
5 connection with the Compact.

6 (~~9~~10) "Fiscal year" refers to each one year period
7 beginning October 1 and ending on the next following
8 September 30. Each Fiscal Year shall be designated by
9 the number of the calendar year in which such Fiscal
10 Year ends.

11 (~~10~~11) "JEMCO" refers to the Joint Economic Management
12 Committee established pursuant to the Compact.

13 (~~11~~12) "National Government" refers to the National
14 Government of the Federated States of Micronesia and
15 includes all branches and agencies of the Government.

16 (~~12~~13) "National Government Compact Budget Request"
17 means the National Government's annual Compact funding
18 request for the upcoming Fiscal Year and estimated
19 funding levels for the two subsequent Fiscal Years to be
20 consolidated with the States' Compact Budget Requests
21 and submitted to the United States under Article V of
22 the Financial Procedures Agreement.

23 (~~13~~14) "Proposed Budget" shall have the meaning ascribed
24 to it in subsection (2) of section 103 of this chapter.

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1 ~~1415~~) "Recommended Budget" shall have the meaning
2 ascribed to it in subsection (3) of section 103 of this
3 chapter.

4 ~~(1516)~~ "Recommended National Government Compact Budget
5 Request" means the President's recommended annual
6 Compact funding request for the National Government for
7 the upcoming Fiscal Year and estimated funding levels
8 for the two subsequent Fiscal Years.

9 Section 2. Chapter 1 of title 55 of the Code of the
10 Federated States of Micronesia (Annotated), as amended, is hereby
11 further amended by enacting a new section 112, to read as follows:

12 "Section 112. Deferrals.

13 (1) No officer or employee to the National
14 Government may defer any appropriation for any purpose.

15 (2) Whenever the President or any allottee of
16 government funds under the direction of the Executive
17 Branch proposes to defer any appropriation provided for
18 a specific purpose or project, the President shall
19 transmit to the Congress of the Federated States of
20 Micronesia a special message specifying:

21 (a) the amount of the appropriation to be
22 deferred;

23 (b) any account, department, or establishment of
24 the Government to which such appropriation is available
25 for obligation, and the specific project or government

1 functions involved;

2 (c) the period of time during which the
3 appropriation is proposed to be deferred;

4 (d) the reasons for the proposed deferral,
5 including the legal authority invoked to justify the
6 proposed deferral and;

7 (e) all facts, circumstances, and considerations
8 relating to or bearing upon the proposed deferral and
9 the decision to effect the proposed deferral, including
10 an analysis of such facts, circumstances, and
11 considerations in terms of their application to any
12 legal authority, including specific elements of legal
13 authority, invoked to justify such proposed deferral,
14 and to maximum extent practicable, the estimated effect
15 of the proposed deferral upon the objects, purposes, and
16 programs for which the appropriation is provided.

17 (3) A special message may include one or more
18 proposed deferrals of appropriations. A deferral may not
19 be proposed for a period of time extending beyond the
20 end of the fiscal year in which the funds were
21 appropriated.”

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1 Section 3. 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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5 Date: 1/21/20

Introduced by: /s/ Peter M. Christian
Peter M. Christian

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