

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, by raising the threshold amount for foreign financial assistance that requires for acceptance and validity congressional approval through a resolution, 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, as amended by Public Law No.
3 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. U.S. federally funded
7 program grant awards under \$~~[100,000]~~ 850,000 do not
8 require approval by Congress by resolution. Federal
9 grants that are recurring grants, therefore, not a
10 first-time grant, including federal grants that are
11 subject to period cycle shall not be subject to
12 approval by congressional resolution. The Executive
13 shall provide Congress with a copy of any agreement
14 regardless of the amount of foreign financial
15 assistance involved. All other foreign financial
16 assistance in any amount requires approval by Congress
17 by resolution. The President shall submit any
18 agreement for the acceptance or receipt of foreign
19 financial assistance to the Congress no late than the
20 first regular or special session congress convened
21 immediately subsequent to the execution of such
22 agreement, for approval by resolution.

23 (a) No such agreement shall be valid, and no
24 funds may be received pursuant to such agreement,
25 unless and until the requirements of this section have

1 been met. Foreign financial assistance of up to
2 \$10,000 may be disbursed by the President in
3 accordance with the terms and conditions of the
4 assistance.

5 (b) Should the Congress not approve such
6 agreement by resolution before the adjournment of the
7 first regular session following the President's
8 submission of the agreement to Congress, that
9 agreement shall be deemed disapproved.

10 (c) Any first time application for foreign
11 financial assistance shall require the approval by
12 Congress through a resolution.

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

1 (a) The President or the President's designee
2 shall notify the Congress of the receipt of foreign
3 financial assistance, the amount thereof in U.S.
4 dollars, and, where applicable, the deposit or such
5 assistance into the Fund, no later than the first
6 session of Congress, be it regular or special,
7 convened subsequent to such receipt.

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

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

1 Micronesia.

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

6 (a) a complete and accurate accounting of all
7 foreign financial assistance received;

8 (b) a complete and accurate record of the
9 manner in which the foreign financial assistance was
10 distributed as among and between the States and the
11 National Government; and

12 (c) whether such distribution comports with the
13 provisions of article XII, section 1(b) of the
14 Constitution."

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

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19 Date: 5/14/26

Introduced by: /s/ Julio M. Marar

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Julio M. Marar
(by request)

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