
A BILL FOR AN ACT

To further amend section 226 of title 55 of the Code of the Federated States of Micronesia (Annotated), as amended by Public Law No. 21-17, to implement additional reporting requirements on the balances of appropriated funds, and for other purposes.

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

1 Section 1. Section 226 of title 55 of the Code of the
2 Federated States of Micronesia (Annotated), as amended by Public
3 Law No. 21-17, is hereby further amended to read as follows:

4 "Section 226. Required reports.

5 (1) *Required reports from allottees.*

6 (a) Not later than May 1 of each year, each
7 allottee shall submit to the Congress of the Federated
8 States of Micronesia which shall provide for the full
9 accounting of each line item, or subsection apportioning
10 funds, as of the end of the second quarter of the fiscal
11 year, detailing obligations incurred against all sums
12 appropriated by the Congress of the Federated States of
13 Micronesia or made available to an allottee from other
14 sources, to include a detailed explanation and full
15 justification for each major deviation from a line item,
16 or subsection apportioning funds.

17 (b) Not later than October 31 of each year, each
18 allottee shall submit a report to the Congress of the

1 Federated States of Micronesia or made available to an
2 allottee from other sources, to include a detailed
3 explanation and full justification for each major
4 deviation from a line item, or subsection apportioning
5 fund.

6 (c) The reports required by subparagraphs (a)
7 and (b) above shall include a statement by the allottee
8 of the status of the project, program, or list the
9 achievements of the department or agency for which the
10 funds were allotted. For all allottees, except those
11 receiving allotments for governmental operations, the
12 statement shall detail the percentage of completion of
13 the project or program and shall include an estimation
14 of the completion date for the project or program, where
15 appropriate.

16 (2) *Required reports from the Secretary of the*
17 *Department of Finance and Administration.*

18 (a) Not later than January 31 of each year, the
19 Secretary of the Department of Finance and
20 Administration shall submit unaudited financial
21 statements of the National Government to the Congress of
22 the Federated States of Micronesia, or, he shall provide
23 in writing, an explanation of why he is unable to
24 provide such reports. The explanation shall include a
25 date by which he will provide the required reports.

(b) Ten days prior to each session of Congress, whether a regular or special session, the Secretary of the Department of Finance and Administration shall submit, to the Speaker of Congress and the Chairman of the Committee on Ways and Means, an accurate report of current projected revenues for the fiscal year. This report shall detail projected revenues by source and shall reflect appropriations made during the fiscal year. The report should show the balance of funds available for appropriation by the Congress.

(c) Ten days prior to each session of Congress, whether a regular or special session, the Secretary of the Department of Finance and Administration shall submit, to the Speaker of Congress and the Chairman of the Committee on Ways and Means, an accurate report that states the unexpended and available fund balances of each line item listed in the main budget law of the current fiscal year. All line items from the main budget law shall be included in this report and the line items shall be organized in the same order in which they are found in the main budget law.

(3) Required reports on programs and projects funded by foreign financial assistance or by United States Federal program funds.

(a) A program or project funded by foreign

1 financial assistance or United States Federal program
2 funds shall submit to the Congress of the Federated
3 States of Micronesia a final expenditure and performance
4 report on the use and disbursement of all funds within
5 30 [~~day~~] days of the closing of a grant award or
6 completion of a grant cycle.

7 (b) Congress shall not approve by resolution an
8 agreement, award, or application for foreign financial
9 assistance or United States Federal program funds for a
10 program or project if the reports required by this
11 subsection for the program or project have not been
12 submitted to Congress.

13 (4) Required reports from the Budget Officer of the
14 Congress of the Federated States of Micronesia.

15 (a) Ten days prior to each session of Congress,
16 whether a regular or special session, the Budget Officer
17 of the Congress of the Federated States of Micronesia
18 shall submit, to the Speaker of Congress, the Chairman
19 of the Committee on Ways and Means, and the Legislative
20 Counsel, an accurate and confidential report that
21 provides a detailed breakdown of the fund balances of
22 each line item in the main budget law of the current
23 fiscal year that relates to the operations of the
24 Congress. The report shall include a detailed
25 description of how all expended funds have been used and

1 a detailed description of the specific purposes for
2 which any unexpended funds remain allocated, regardless
3 of whether such allocation is formal or informal.
4 Specifically, the report shall include all internal
5 allocations within the Personnel, Travel, Contractual
6 Services, OCE, and Fixed Assets line items, with a
7 complete description of all previous and planned
8 expenditures within these line items."

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

12
13 Date: 6/30/26

Introduced by: /s/ Fabian S. Nimea
Fabian S. Nimea