

A BILL FOR AN ACT

To amend chapter 3 of title 55 of the Code of the Federated States of Micronesia, as enacted by Public Law No. 13-72, by amending sections 308, 309, and 326 thereof, and for other purposes.

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

1 Section 1. Section 308 of title 55 of the Code of the
2 Federated States of Micronesia, as enacted by Public Law No. 13-
3 72, is hereby amended to read as follows:

4 "Section 308. Appeal of Special Conditions.

5 (1) If, at any time, JEMCO or the Government of the
6 United States imposes, or notifies the Federated States
7 of Micronesia of its intent to impose, any special
8 conditions or restrictions on any Compact Grant Awards,
9 the President shall immediately notify any and all
10 affected State Governments thereof and provide such
11 Government(s) with copies of all relevant documentation,
12 including the explanation that is received from the
13 United States or JEMCO of the conditions and
14 restrictions and the reasons therefor.

15 (2) Any affected Government may, subject to the terms
16 of this subsection, dispute the decision to impose
17 special conditions or restrictions by submitting a
18 written appeal for reconsideration within twenty (20)
19 days of the Federated States of Micronesia's receipt of
20 the Grant Award to which such conditions or restrictions

1 were attached or the date notification of the intent to
2 impose special conditions was received by the Federated
3 States of Micronesia from the Government of the United
4 States, in accordance with the terms of the Fiscal
5 Procedures Agreement. Any and all such appeals shall be
6 addressed to the Government of the United States and
7 routed through the Office of the President. The
8 President shall submit any such appeal(s) to the
9 Government of the United States within ten (10) days of
10 his receipt thereof unless the President determines that
11 the submitting of the appeal is not in the best
12 interests of the nation."

13 Section 2. Section 309 of title 55 of the Code of the
14 Federated States of Micronesia, as enacted by Public Law No. 13-
15 72, is hereby amended to read as follows:

16 "Section 309. Grant Acceptance.

17 The President shall sign and return to the Government of
18 the United States each Grant Award, [~~to the extent to~~]
19 unless rejected pursuant to section 307(3) hereof, and
20 shall transmit a copy thereof to Congress and each State
21 Government."

22 Section 3. Section 326 of title 55 of the Code of the
23 Federated States of Micronesia, as enacted by Public Law No. 13-
24 72, is hereby amended to read as follows:

25 "Section 326. Transition - Original Compact.

1 (1) Until all funds received under the Original
2 Compact categories have been exhausted, each State
3 Government shall, no later than December 15 of each
4 year, submit to the President a report setting forth
5 expenditures made and year-end fund balances by Original
6 Compact category_for the previous Fiscal Year; provided
7 however, that this subsection (1) shall not apply to
8 funds received pursuant to section 211 of the Original
9 Compact.

10 (2) Available capital project funds that were allotted
11 to any of the State or the National Governments pursuant
12 to section 211 of the Original Compact that subsequently
13 lapse or are de-appropriated pursuant to the laws of the
14 respective State or National Government shall revert to
15 the current account of the respective government
16 following submission of the relevant lapse provision or
17 de-appropriation legislation to the Secretary.

18 (3) Each State finance officer shall promptly close
19 out Original Compact capital project accounts upon
20 project completion. Unused spending authority resulting
21 from_project close-out shall revert to the current
22 account of the respective government.

23 (4) Nothing in this section shall be deemed to change
24 or modify the distribution of capital account funds
25 between a State and any of its municipalities as it

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