

A BILL FOR AN ACT

To appropriate from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 2004, all sums directly or indirectly received as the proceeds of the first tranche of the FSM National Government's portion of the Private Sector Development Program Loan from the Asian Development Bank, in an amount not to exceed \$500,000, for the purpose of funding tax administration strengthening, development of a tax reform proposal, export monitoring, regulation and border control, and public sector enterprise reform, and for other purposes.

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

1 Section 1. Authorization. The President of the Federated
2 States of Micronesia is hereby authorized to utilize the proceeds
3 of the first tranche of the FSM National Government's portion of
4 the Private Sector Development (PSD) Program Loan from the Asian
5 Development Bank, in an amount not to exceed \$500,000, for any or
6 all of the following purposes:

- 7 (1) to improve tax administration;
- 8 (2) to support further development of the FSM-wide revenue
9 reform initiative;
- 10 (3) to monitor exports to ensure compliance with existing
11 tax provisions, and to fulfill international obligations in
12 regard to controlled and illegal substances;
- 13 (4) to obtain technical assistance required to implement
14 one or more National Government public sector enterprise
15 transformations called for in the program loan policy matrix.

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1 Section 2. Sub allotment. The President is authorized to
2 sub-allot funds appropriated hereunder to the Department of
3 Economic Affairs as the implementing agency for the PSD project
4 and program loans, or to the Department of Finance and
5 Administration, as the affected department.

6 Section 3. Reporting requirement. Following the exhaustion
7 of funds appropriated by this act, the President shall submit a
8 report to Congress detailing how the funds appropriated hereunder
9 were expended.

10 Section 4. Lapse. The funds appropriated by this act shall
11 lapse as of September 30, 2007.

12 Section 5. This act shall become law upon approval by the
13 President of the Federated States of Micronesia or upon its
14 becoming law without such approval.

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16 Date: 5/14/04

Introduced by: /s/ Henry C. Asugar
Henry C. Asugar
(by request)

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