

A BILL FOR AN ACT

To further amend title 55 of the Code of the Federated States of Micronesia, as amended, by amending section 419 to insert a new subsection 6 to place Project Management Unit and implementation of the Infrastructure Development Plan under direct supervision of the Office of the President, and for other purposes.

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

1 Section 1. Section 419 of title 55 of the Code of the
2 Federated States of Micronesia is hereby amended to read as
3 follows:

4 "Section 419. Implementation of Infrastructure
5 Development Plan.

6 (1) Notwithstanding any provision of law to the
7 contrary, the National Government shall have
8 jurisdiction, in coordination with the respective state,
9 over activities relating to any public contract that is
10 or may be awarded for a civil works project to implement
11 any part of the Infrastructure Development Plan and that
12 is supported by funds provided through section 211 of
13 the Amended Compact of the Free Association, as that
14 Plan may be amended from time to time, including but not
15 limited to all contract management activities, all
16 bidding and pre-bidding procedures for such public
17 contracts, and all activities performed by any citizen
18 or noncitizen contractor or subcontract or pursuant to

1 any such public contract. Except for this section, the
2 provisions of chapter 4 shall not apply to public
3 contracts referred to in this subsection.

4 (2) Notwithstanding section 205 of title 32 of the
5 Code of the Federated States of Micronesia, no Foreign
6 Investment Permit shall be required to conduct any
7 activity referred to in subsection (1).

8 (3) The President shall be responsible for
9 establishing procurement procedures specifically for use
10 with all public contracts referred to in subsection (1),
11 which shall:

12 (a) meet or exceed prevailing international
13 standards for free and open competitive bidding,
14 transparency, and fairness to all parties,

15 (b) effectively and efficiently facilitate the
16 execution and implementation of public contract referred
17 to in subsection (1);

18 (c) protect resident workers, and

19 (d) protect the public interest.

20 Such procurement procedures shall take effect upon
21 adoption by the President in accordance with title 17 of
22 the Code of the Federated States of Micronesia.

23 (4) Any citizen taxpayer in the Federated States of
24 Micronesia may seek to enjoin a public contract referred
25 to in subsection (1) to the same extent and in the same
26 manner as such remedy is available to bona fide

1 unsuccessfully bidders on the contract under the
2 procurement procedures established and approved by the
3 President pursuant to subsection (3).

4 (5) The courts of the Federated States of Micronesia
5 shall recognize and give full force and effect to the
6 dispute resolution methods established by the President
7 pursuant to subsection (3).

8 (6) The functions of implementing the Infrastructure
9 Development Plan as provided herein shall be known as
10 the Project Management Unit and is placed within the
11 Office of the President under the direct supervision and
12 administration of an administrator answerable to the
13 President.

14 Section 2. This act shall become law upon approval by the
15 President of the Federated States of Micronesia or upon its
16 becoming law without such approval.

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18 Date: 11/13/07

Introduced by: /s/ Joe N. Suka

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Joe N. Suka
(by request)

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