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A BILL FOR AN ACT

To further amend section 102 of title 55 of the Code of the Federated States of Micronesia, as amended by Public Law No. 13-63, and section 302, as enacted by Public Law No. 13-72, to change the start and end of the fiscal year to November 1 and October 31 respectively, and for other purposes.

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

1           Section 1.   Section 102 of title 55 of the Code of  
2 the Federated States of Micronesia, as amended by Public  
3 Law No. 13-63, is hereby further amended to read as  
4 follows:

5                   "Section 102.   Definitions.   When used in this  
6 chapter:

7                   (1) 'Agency' means any agency, commission,  
8 authority, board, bureau, or other organization of the  
9 National Government established by law, and not  
10 specifically part of one of the three branches of the  
11 National Government.

12                   (2) 'Annual budget' refers to the annual request for  
13 new obligation and expenditure authority during the  
14 ensuing fiscal year by all branches and agencies of  
15 the National Government for all purposes, including,  
16 but not limited to, Government operations, development  
17 programs and projects, special programs,  
18 contributions, grants, and subsidies.

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1           (3) 'Appropriation' refers to a law enacted by  
2           Congress which authorizes the National Government to  
3           incur obligations and to make payments out of the  
4           National Treasury in accordance with law.

5           (4) 'Compact' refers to the Compact of Free  
6           Association, as amended, and its related agreements  
7           entered into by and between the Government of the  
8           Federated States of Micronesia and the Government of  
9           the United States and enacted as United States Public  
10          Law No. 108-188, unless otherwise specified herein.

11          (5) 'Congress' refers to the Congress of the  
12          Federated States of Micronesia.

13          (6) 'Development Plan' refers to the Development  
14          Plan of the Federated States of Micronesia prepared  
15          pursuant to title two, section 211 of the Compact, and  
16          the infrastructure development plan of the Federated  
17          States of Micronesia prepared pursuant to Article V,  
18          section 1(e) of the Fiscal Procedures Agreement.

19          (7) 'Executive Branch' refers to the executive  
20          branch of the National Government of the Federated  
21          States of Micronesia.

22          (8) 'Fiscal Procedures Agreement' means the  
23          Agreement Concerning Procedures for the Implementation  
24          of United States Economic Assistance Provided in the  
25          Compact of Free Association, as amended, Between the

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1 Government of the United States and the Government of  
2 the Federated States of Micronesia, entered into in  
3 connection with the Compact.

4 (9) 'Fiscal Year' refers to each one-year period  
5 beginning [~~October 1~~] November 1 and ending on the  
6 next following [~~September 30~~] October 31. Each Fiscal  
7 Year shall be designated by the number of the calendar  
8 year in which such Fiscal Year ends.

9 (10) 'JEMCO' refers to the Joint Economic Management  
10 Committee established pursuant to the Compact.

11 (11) 'National Government' refers to the National  
12 Government of the Federated States of Micronesia and  
13 includes all branches and agencies of the Government.

14 (12) 'National Government Compact Budget Request'  
15 means the National Government's annual Compact funding  
16 request for the upcoming Fiscal Year and estimated  
17 funding levels for the two subsequent Fiscal Years to  
18 be consolidated with the States' Compact Budget  
19 Requests and submitted to the United States under  
20 Article V of the Financial Procedures Agreement.

21 (13) 'Proposed Budget' shall have the meaning  
22 ascribed to it in subsection (2) of section 103 of  
23 this chapter.

24 (14) 'Recommended Budget' shall have the meaning  
25 ascribed to it in subsection (3) of section 103 of

1           this chapter.

2           (15) 'Recommended National Government Compact  
3           Budget Request' means the President's recommended  
4           annual Compact funding request for the National  
5           Government for the upcoming Fiscal Year and  
6           estimated funding levels for the two subsequent  
7           Fiscal Years."

8           Section 2. Section 302 of title 55 of the Code of the  
9           Federated States of Micronesia is hereby amended to read as  
10          follows:

11           "Section 302. Definitions.

12           For purposes of this chapter only, the following terms  
13           shall have the following meanings:

14           (1) 'Accrued Expenditures' means charges incurred by  
15           a Government during a given period requiring the  
16           provision of funds for: (a) goods and other tangible  
17           property received; (b) services performed by  
18           employees, contractors, sub-grantees, subcontractors,  
19           and other third party non-contractors; and (c) other  
20           amounts becoming owed under programs for which no  
21           current services or performance is required, such as  
22           annuities, insurance claims, and other benefit  
23           payments, all as evidenced by a pending disbursements  
24           report.

25           (2) 'Annual Report' means the Annual Report of the

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1           President of the Federated States of Micronesia to the  
2           Government of the United States in compliance with  
3           Section 214 of the Compact.

4           (3) 'Compact' means the Compact of Free Association,  
5           as amended, and its related agreements entered into by  
6           the Government of the Federated States of Micronesia  
7           and the Government of the United States and enacted as  
8           United States Public Law No. 108-188, unless otherwise  
9           specified herein.

10          (4) 'Compact Budget Request' means the annual  
11          Compact funding request for the upcoming Fiscal Year  
12          and estimated funding levels for the two subsequent  
13          Fiscal Years.

14          (5) 'Congress' means the Congress of the Federated  
15          States of Micronesia, unless otherwise specified  
16          herein.

17          (6) 'Fiscal Procedures Agreement' means the  
18          'Agreement Concerning Procedures for the  
19          Implementation of United States Economic Assistance  
20          Provided in the Compact of Free Association, as  
21          amended, Between the Government of the United States  
22          and the Government of the Federated States of  
23          Micronesia' entered into in connection with the  
24          Compact.

25          (7) 'Fiscal Year' means each one year period

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1 beginning [~~October 1~~] November 1 and ending on the  
2 next following [~~September 30~~] October 31. Each Fiscal  
3 Year shall be designated by the number of the calendar  
4 year in which such Fiscal Year ends.

5 (8) 'Government' means a State Government or the  
6 National Government of the Federated States of  
7 Micronesia, unless otherwise specified.

8 (9) 'Grant Award' means a formal offer of funds by  
9 the Government of the United States to the Government  
10 of the Federated States of Micronesia pursuant to the  
11 terms of the Compact for the purpose of funding  
12 programs and activities within a specific Sector.

13 (10) 'JEMCO' means the Joint Economic Management  
14 Committee established pursuant to the Compact and the  
15 Fiscal Procedures Agreement.

16 (11) 'Obligation' shall have the same meaning as  
17 defined in the respective Financial Management Acts of  
18 the Governments.

19 (12) 'Operational Grant' means a grant associated  
20 with a Sector Grant program that continues from a  
21 given period to a subsequent period as defined in  
22 Article I, Section 1 of the Fiscal Procedures  
23 Agreement.

24 (13) 'Original Compact' means the Compact of Free  
25 Association between the Government of the Federated

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1 States of Micronesia and the Government of the United  
2 States in the form that was effective as of November  
3 3, 1986 through September, 2003.

4 (14) 'Plan for the Division of Annual Economic  
5 Assistance' means the comprehensive plan for the  
6 division of economic assistance for a Fiscal Year,  
7 including Annual Grant budgets by Sector, as described  
8 in Article V, Section 1(b) of the Fiscal Procedures  
9 Agreement, and may include such additional reports,  
10 narratives, summaries, documentation and other  
11 information as the President deems appropriate.

12 (15) 'Secretary' means the Secretary of the  
13 Department of Finance and Administration for the  
14 Federated States of Micronesia, or his successor in  
15 the executive structure of the National Government of  
16 the Federated States of Micronesia.

17 (16) 'Sector' means one of the six grant sectors  
18 described in Section 211(a) of the Compact and Article  
19 II, Section 1, of the Fiscal Procedures Agreement, as  
20 such sectors may be adjusted during the term of the  
21 Compact.

22 (17) 'Sector Grant' means the funds that are to be  
23 provided pursuant to a given Sector.

24 (18) 'State' means any of the states of the  
25 Federated States of Micronesia."

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1 Section 3. This act shall become law upon approval by  
2 the President of the Federated States of Micronesia or upon  
3 its becoming law without such approval.

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5 Date: 9/18/12

Introduced by: /s/ Wesley Simina  
Wesley Simina

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