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A BILL FOR AN ACT

To establish the 2023 Financial Committee for the Federated States of Micronesia, designating a secretariat, and for other purposes.

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

1           Section 1. Establishment of the 2023 Financial  
2 Committee. In anticipation of termination of financial  
3 provisions of the Amended Compact of Free Association in  
4 2023, there is hereby established a joint committee of the  
5 State and National governments of the Federated States of  
6 Micronesia, officially known as the 2023 Financial  
7 Committee. The Committee shall formally organize within one  
8 month of its establishment.

9           Section 2. Composition of the Committee. The  
10 Committee is comprised of the following: representative of  
11 the executive branch of National Government appointed by the  
12 President, representative of Congress appointed by the  
13 Speaker, one representative from each state government. In  
14 consultation with the leadership of each State, the  
15 President shall appoint the state representatives.

16           Section 3. Meetings. At the call of the President,  
17 the Committee shall hold its first meeting to elect its  
18 chairman and vice chairman. Subsequent meetings shall be at  
19 the call of the chairman in accordance with internal  
20 procedures adopted by the Committee.

1           Section 4. Quorum and voting. Majority of the members  
2 constitute a quorum for the transaction of business.  
3 Decisions shall be with the concurrence of at least four  
4 members.

5           Section 5. Mandate. The Committee shall carry out the  
6 following responsibilities and obligations:

7           (1) The primary mandate of the Committee are as  
8 follows: (a) undertake assessment of the nature and  
9 magnitude of the financial situation of the FSM from 2013  
10 and onward, identify measures to address the budgetary  
11 decrements, and explore potential revenue-generating  
12 activities; (b) study and investigate alternative and  
13 funding scenarios to cover anticipated budget shortfall; and  
14 (c) develop an action plan to address the decrements;

15           (2) Formulate goals and objectives, and develop  
16 strategies and approaches in anticipation of termination of  
17 financial assistance under the Amended Compact;

18           (3) Direct its Secretariat to prepare work papers and  
19 documentation necessary to accomplish its responsibilities;

20           (4) Analyze all economic and financial information  
21 available, with the aim of identifying the financial needs  
22 of the FSM and finding effective ways to address them by the  
23 year 2023 and onward;

24           (5) Collaborate with the State Governments and  
25 agencies of the National Government; and

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1           (6) To present its final report to the President,  
2 Congress, and the State and National Leadership Conference.  
3 The Committee shall have one year from the date of its  
4 establishment, with possible extension of no more than six  
5 months, to complete its work and submit a final report.

6           Section 6. Funding. The Committee shall be funded  
7 through appropriation by Congress. The Committee may accept  
8 technical and financial assistance from foreign donors.

9           Section 7. Establishment of the Secretariat. The  
10 Office of Statistics, Budget, Economic Management, Compact  
11 and Aid Coordination (SBOC) is designated as the Committee  
12 Secretariats, whose responsibilities are as follows:

13           (1) Provide all administrative and logistical support  
14 in order for the Committee to fulfill its mandate;

15           (2) Recruit the services of experts in the areas of  
16 economics, finance, and budget, and hire such support staff  
17 as may be needed to assist in the work of the Secretariat;

18           (3) Prepare and manage the budget of the Committee;

19           (4) Coordinate with the various departments, offices  
20 and agencies of the state and national governments in  
21 collecting relevant information and technical input as may  
22 be needed in accomplishing the mandate or instruction of the  
23 Committee; and

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25           (5) Other responsibilities as directed by the

1 Committee.

2       Section 8. This act shall become law upon approval  
3 by the President of the Federated States of Micronesia or  
4 upon its becoming law without such approval.

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6 Date: 9/25/12

Introduced by: /s/ Florencio S. Harper  
Florencio S. Harper  
(by request)

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