
A BILL FOR AN ACT

Establishing a revolving fund by creating a new subchapter XVIII under chapter 6 of title 55 of the Code of the Federated States of Micronesia, as amended, in order to authorize the State Governments of the Federated States of Micronesia to advance funds from a national revolving fund subject to reimbursement by federal grants from the United States Government that will be made available to the State Governments, appropriating \$500,000 seed money in the revolving fund, and for other purposes.

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

1 Section 1. Title 55 of the Code of the Federated States of
2 Micronesia, as amended, is hereby further amended by creating a
3 new subchapter XVIII under chapter 6 entitled, "Federal Grant
4 Revolving Fund."

5 Section 2. Title 55 of the Code of the Federated States of
6 Micronesia, as amended, is hereby further amended by inserting a
7 new section 1613 of subchapter XVIII under chapter 6, to read as
8 follows:

9 "Section 1613. There shall be established a revolving
10 fund called the "Federal Grant Revolving Fund". All
11 monies in the Revolving Fund shall not lapse until the
12 Revolving Fund terminates pursuant to section 1615."

13 Section 3. Title 55 of the Code of the Federated States of
14 Micronesia, as amended, is hereby further amended by inserting a
15 new section 1614 of subchapter XVIII under chapter 6, to read as
16 follows:

1 "Section 1614. The purpose of the Revolving Fund is to
2 provide to the State Governments and the National
3 Government reliable funding in support of various United
4 States Federal Programs that are extended to the
5 Federated States of Micronesia in anticipation of the
6 availability of federal funds from the United States
7 Government. The State Governments shall procure timely
8 reimbursement of funds advance from the Revolving Fund.
9 This provision is addition to the authority of the
10 National Government to offsetting of funds pursuant to
11 section 1618."

12 Section 4. Title 55 of the Code of the Federated States of
13 Micronesia, as amended, is hereby further amended by inserting a
14 new section 1615 of subchapter XVIII under chapter 6, to read as
15 follows:

16 "Section 1615. The Revolving Fund shall without need of
17 any further act by Congress terminate two (2) years from
18 the date of approval of this act, or by September 30,
19 2015, whichever comes first. All remaining balance in
20 the Revolving Fund shall automatically revert to the
21 General Fund upon termination of the Revolving Fund."

22 Section 5. Title 55 of the Code of the Federated States of
23 Micronesia, as amended, is hereby further amended by inserting a
24 new section 1616 of subchapter XVIII under chapter 6, to read as
25 follows:

1 "Section 1616. The State Governments shall without
2 delay reimburse the National Government on all amounts
3 advance from the Revolving Fund. It is the obligation
4 of the States to process in a timely manner the
5 paperwork, report, and justification on the use, or
6 proposed use, of federal grant funds. The States shall
7 expeditiously address any request for additional
8 information or justification by the National Government
9 or grantor of federal funds."

10 Section 6. Title 55 of the Code of the Federated States of
11 Micronesia, as amended, is hereby further amended by inserting a
12 new section 1617 of subchapter XVIII under chapter 6, to read as
13 follows:

14 "Section 1617. The Secretary of the Department of
15 Finance and Administration shall make a report to the
16 President and Congress on the status of the Revolving
17 Fund and recommend action in case of shortage thereof."

18 Section 7. Title 55 of the Code of the Federated States of
19 Micronesia, as amended, is hereby further amended by inserting a
20 new section 1618 of subchapter XVIII under chapter 6, to read as
21 follows:

22 "Section 1618. If any amount is owed by the State
23 Governments to the Revolving Fund, then the National
24 Government is entitled to offset such amount owing with
25 any funds held by the National Government on behalf of

1 the State Governments."

2 Section 8. Title 55 of the Code of the Federated States of
3 Micronesia, as amended, is hereby further amended by inserting a
4 new section 1619 of subchapter XVIII under chapter 6, to read as
5 follows:

6 "Section 1619. The Secretary of the Department of
7 Finance and Administration shall recommend to the
8 President for his approval the necessary guidelines and
9 procedures in order to give effect to the provisions of
10 this subchapter."

11 Section 9. Appropriation. The amount \$500,000 is hereby
12 appropriated into the Federal Grant Revolving Fund from the
13 General Fund of the Federated States of Micronesia for fiscal year
14 ending September 30, 2013. This amount shall not lapse, except in
15 accordance with section 1615.

16 Section 10. Effective date. This act shall be become law
17 upon approval by the President of the Federated States of
18 Micronesia or upon its becoming law without such approval.

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20 Date: 5/24/13

Introduced by: /s/ Florencio S. Harper

Florencio S. Harper

(by request)

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