AN ACT

To further amend title 55 of the Code of the Federated States of Micronesia, as amended, by adding a new subchapter XII to chapter 6 to establish a Maritime Surveillance 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 Micronesia, as amended, is hereby further amended by adding a new subchapter XII to chapter 6 to establish a Maritime Surveillance Revolving Fund.

2. Section 2. Title 55 of the Code of the Federated States of Micronesia, as amended, is hereby further amended by adding a new section 671 to subchapter XII of chapter 6, to read as follows:

   “Section 671. Establishment. There is hereby created and established a Maritime Surveillance Revolving Fund, separate from the General Fund of the Federated States of Micronesia and all other funds.”

3. Section 3. Title 55 of the Code of the Federated States of Micronesia, as amended, is hereby further amended by adding a new section 672 to subchapter XII of chapter 6, to read as follows:

   “Section 672. Purpose. The purpose of the Fund is to provide reliable funding for fuel for the patrol and surveillance boats of the national government of the Federated States of Micronesia. The Fund shall not be used for salaries or overtime.”

4. Section 4. Title 55 of the Code of the Federated States of Micronesia, as amended, is hereby further amended by adding a new section 673 to subchapter XII of chapter 6, to read as follows:

   “Section 673. Administration. The administration of the Fund shall be vested in the Department of the Navy of the Federated States of Micronesia, subject to the approval of the Department of the Treasury of the Federated States of Micronesia.”

5. Section 5. Title 55 of the Code of the Federated States of Micronesia, as amended, is hereby further amended by adding a new section 674 to subchapter XII of chapter 6, to read as follows:

   “Section 674. Expenditure. The expenditure of the Fund shall be subject to the approval of the Department of the Navy of the Federated States of Micronesia.”

6. Section 6. Title 55 of the Code of the Federated States of Micronesia, as amended, is hereby further amended by adding a new section 675 to subchapter XII of chapter 6, to read as follows:

   “Section 675. Auditing. The Department of the Navy of the Federated States of Micronesia shall audit the Fund on an annual basis.”
Micronesia, as amended, is hereby further amended by adding a new section 672 to subchapter XII of chapter 6, to read as follows:

"Section 673. Deposits. All future appropriations for the Fund as well as revenues received pursuant to the provisions of sections 901 and 902 of title 24 shall be deposited in the Fund. Any unexpended moneys in this Fund shall neither revert to the General Fund nor lapse at the end of the fiscal year; PROVIDED, HOWEVER, that any amount in excess of $500,000 shall be paid into the General Fund."

Section 5. Title 55 of the Code of the Federated States of Micronesia, as amended, is hereby further amended by adding a new section 674 to subchapter XII of chapter 6, to read as follows:

"Section 674. Administration. The fund shall be administered by the President of the Federated States of Micronesia, or his designee, who shall establish procedures necessary and appropriate for the effectuation and implementation of the provisions of this subchapter."
Section 6. This act shall become law upon approval by the President of the Federated States of Micronesia or upon its becoming law without such approval.

February 14, 2011

for /s/ Alik L. Alik
Manny Mori
President
Federated States of Micronesia