
AN ACT

Amending Sections 2, 4, 7, 9 and 11 of CSL No. 8-05-04 known as the Chuuk State Compact Fund Control Commission pursuant to Article 6 of the Fiscal Procedure Agreement implementing the Compact of Free Association between the Government of the Federated States of Micronesia and the Government of the United States as applicable to Chuuk State Government as sub-grantee, by reducing its members from seven (7) to five (5) to change period for regular meeting, and for other purposes.

Be it enacted by the Chuuk State Legislature:

Section 1. Amendment. Section 2 of CSL No. 8-05-04 is hereby amended to read as follows:

“Section 2. Definition and Rules. Unless the provisions or the context otherwise require, these general provisions, rules of construction and words have the following definition; and shall govern the construction of this Act.

(1) “Board” is the Board of Directors for the Commission created under this Act whose members consist of five (5) members appointed as specified herein.

(2) “Cause” includes three consecutive absences of Board member from attending three consecutive meeting of the Commission, or any act of a Board member which may constitute a violation of a Board Member’s duty to the Commission, or any act of misconduct.

(3) “Commission” means the Chuuk State Compact Fund Control Commission (“CFCC”) established for fiscal control and accounting procedures of any and all expenditures of funds deriving from the Compact entered into between the Government of the United States as amended and its related agreements.

(4) “Compact” means the Compact of Free Association entered into between the Government of the Federated States of Micronesia and the Government of the United

1 States, as amended and its subsidiary agreements as
 2 applied to Chuuk State Government.

3 (5) "Fiscal Procedure Agreement" means the
 4 implementing agreement of the Compact, as amended.

5 (6) "Payroll" refers to the bi-weekly payment of salary or
 6 remuneration to exempt and is restricted to those
 7 employees and contractors of Chuuk State Government
 8 and is restricted to those payments made directly, in an
 9 automated fashion, from the Chuuk State financial
 10 management System and for which there is an accurate
 11 and complete electronic data File that can be
 12 immediately provided to the commission or its bi-
 13 weekly basis and/or upon demand by the Commission
 14 or its Secretariat.

15 (7) "Routine expenses and Minimal Expenses" refers to
 16 those expenditures made from the various Compact
 17 sector funds as may be defined by the Commission."

18 Section 2. Amendment. Section 4. of CSL No. 8-05-04 is hereby amended to
 19 read as follows:

20 "Section 4. Establishment and Organization of Authority. Pursuant to
 21 Article VIII of the Chuuk State Constitution, there is hereby established a Chuuk
 22 State Compact Fund Control Commission created under this Act which shall
 23 consist five (5) members, confirmed by the Senate as follows, **except the Director**
 24 **of Department of Administrative Services who shall serve as permanent member**
 25 **of the Commission by nature of the position, two-members representing the FSM**
 26 **National Government and from abroad who is an expert in financial management**
 27 **and control as recommended to the Governor by the President of the Federated**
 28 **States of Micronesia one member from Non Compact Sector and one member**
 29 **from the private sector..**

- 30 a) one member from Non Compact Sector Program;
 31 b) one member from the private sector;

- 1 c) one member representing the FSM National Government as
2 recommended to the Governor by the President of the
3 Federated States of Micronesia;
- 4 d) one member from abroad who is an expert in governmental
5 finance, management and control as recommended to the
6 Governor by the President of the Federated States of
7 Micronesia;
- 8 e) Director of the Department of Administrative Services who
9 shall serve as an Ex-Officio member of the Commission with
10 voting power.”

11 **Section 3. Amendment.** Section 7 of CSL No. 8-05-04 is hereby amended to read
12 as follows:

13 “Section 7. Chairman. The Commission shall every two years elect one
14 of its members as Chairman. The Chairmanship may rotate among the members.
15 The Chairman shall preside at all meetings of the Commission as deemed
16 necessary.

- 17 a) The Commission shall have a regular meeting once
18 every quarter;
- 19 b) A special session may be held at any time between
20 regular meetings, as provided above at the call of the
21 Chairman or by the request of at least three members of
22 the Commission, or by written request by the Governor
23 of Chuuk State.”

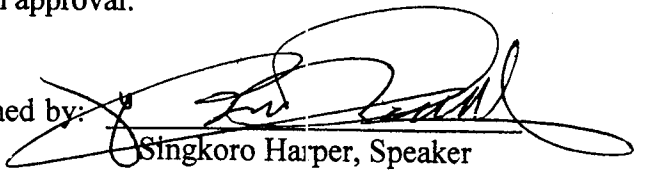
24 **Section 4. Amendment.** Section 9 of CSL No. 8-05-04 is hereby amended to read
25 as follows:

26 “Section 9. Quorum. A majority of three members of the Commission
27 shall constitute a quorum. The vote of majority of the quorum present which shall
28 include the concurring votes of the members representing the FSM National
29 Government and the member appointed from abroad shall be required to make
30 any action of the Commission effective except as provided herein”.

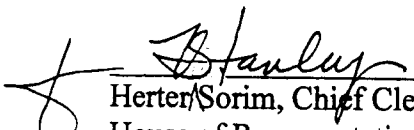
1 Section 5. Amendment. Section 11 of CSL No. 8-05-04 is hereby amended to
2 read as follows:

3 "Section 11. Secretariat; Appointment/Compensation. The Commission
4 shall appoint the Secretariat subject to not less than three (3) affirmative votes of
5 the Commission for the appointments. Said Secretariat shall, on behalf of the
6 Commission Administer and implement decisions and policies of the Commission
7 and discharge those Powers, duties, purposes, functions, and jurisdictions
8 hereunder or which hereafter by Law may be vested in the Commission, as may
9 be delegated through regulations, orders, or directive of the Commission. The
10 Secretariat shall be responsible for the daily operation and management of the
11 Office of the Commission and may hire other employees including experts and
12 consultants to enable the Secretariat to carry out the Commission's and the
13 Secretariat functions and responsibilities under this Act."

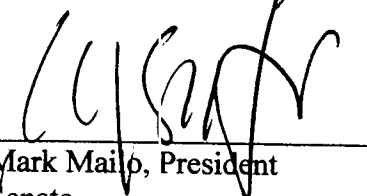
14 Section 6. Effective Date. This Act shall take effect upon approval by the
15 Governor, or upon its becoming law without such approval.

Signed by: 
Singkoro Harper, Speaker
House of Representatives
Chuuk State Legislature

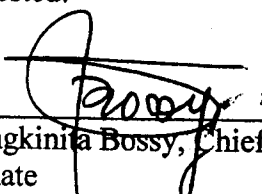
Attested:


Herter/Sorim, Chief Clerk
House of Representatives
Chuuk State Legislature

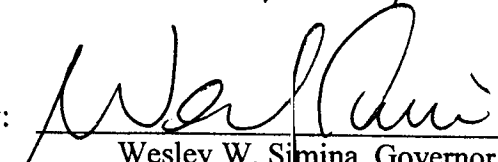
Date: November 26, 2009

Signed by: 
Mark Mailo, President
Senate
Chuuk State Legislature

Attested:


Songkinita Bossy, Chief Clerk
Senate
Chuuk State Legislature

Date: Nov. 6, 2009

Approved by: 
Wesley W. Simina, Governor
Chuuk State Government
Chuuk State

Date: Nov. 18, 2009

History : H.B.NO: 10-40;HD1;SD1
: H.S.C.R. NO: None
: S.S.C.R.NO: 10-1R-1S-06