

CHAPTER 2

Investment Development Fund

SECTIONS

§ 201. Investment Development Fund.

§ 202. Distribution of funds in State earmarked subaccounts to the States.

§ 201. Investment Development Fund.

(1) There is hereby created the Investment Development Fund (hereinafter, the “Fund”) separate from the General Fund and other funds.

(2) The sum of \$12,000,000 received from the United States as grant funds pursuant to section 111 of United States Public Law 99-239, or so much thereof as may be necessary, together with any and all investment earnings accrued thereon since the date of receipt by the National Government and the date such sum is transferred to the Fund, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1989, for the purpose of capitalizing the Investment Development Fund. The sum of \$8,000,000 received from the United States as grant funds pursuant to section 111 of United States Public Law 99-239, or so much thereof as may be necessary, together with any and all investment earnings accrued thereon since the date of receipt by the National Government and the date such sum is transferred to the Fund, is hereby appropriated from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1991, for the purpose of further capitalizing the Investment Development Fund. In addition, all earnings accrued on investment of the Fund, all repayments of principal and interest and penalties on loans made from the Fund, all cash assets recovered on loans made from the Fund, and all fees, charges, and penalties collected in relation to administration of the Fund shall be deposited into the Fund.

(3) The Fund created by this section shall be allotted, disbursed, managed, administered, and accounted for in accordance with this section, with the “Agreement Between the Government of the United States and the Government of the Federated States of Micronesia Regarding the Investment Development Fund of the Federated States of Micronesia Concluded Pursuant to Section 111(c) of United States Public Law 99-239,” with the Investment Development Act of 1988 and other applicable laws, and with such guidelines, policies, and procedures as may be established by the Federated Development Authority. The allottee shall be responsible for ensuring that these funds, or so much thereof as may be necessary, are used solely for the purpose specified in this Act, and that no obligations are incurred in excess of the sums appropriated. The authority of the allottee to obligate funds appropriated by this Act shall not lapse.

(4) Any unexpended money in the Fund shall not revert to the General Fund or lapse at the end of a fiscal year.

Source: PL 5-122 § 2; PL 6-109 § 1.

Cross-reference: The statutory provisions on the President and the Executive are found in title 2 of this code. The Investment Development Act of 1988 is codified in chapter 3 of this title. The statutory provisions on the FSM Congress are found in title 3 of this

code.

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§ 202. Distribution of funds in State earmarked subaccounts to the States.

(1) Notwithstanding any provision of Public Law No. 5-122, as amended, if requested by the Governor of a State, the Federated Development Authority shall direct the FSM Development Bank to distribute to that State any funds not yet obligated remaining in its State-earmarked subaccount.

(2) The FDA and the FSM Development Bank shall cease to administer any portions of the Investment Development Fund distributed in accordance with subsection (1) of this section. The FDA and the FSM Development Bank shall administer all funds not distributed in accordance with subsection (1) of this section, and any future deposit into a State-earmarked subaccount, in accordance with Public Law No. 5-122.

Source: PL 12-75 § 1.

Cross-reference: The statutory provisions on the President and the Executive are found in title 2 of this code. The Investment Development Act of 1988 is codified in chapter 3 of this title. The statutory provisions on the FSM Congress are found in title 3 of this code.

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