

AN ACT

To amend title 2 of the Code of the Federated States of Micronesia, as amended, by enacting new section 210 and of chapter 2 thereof, to establish a Trust Fund for the Benefit of Former Presidents of the Federated States of Micronesia and to provide for an allowance to Former Presidents of the Federated States of Micronesia payable from such fund; and for other purposes.

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

1 Section 1. Title 2 of the Code of the Federated States of Micronesia,
2 as amended, is hereby further amended by adding a new section 210 of chapter 2
3 to read as follows:

4 "Section 210. Establishment of Former President Benefit Trust Fund
5 and Allowance for Former Presidents.

6 (1) There shall be established in the Treasury of the Federated
7 States of Micronesia a trust fund that shall be known as the
8 "Former President Benefit Trust Fund." The fund shall be
9 administered by the Secretary of Finance and Administration and
10 shall consist of such amounts as may be advanced by the Congress of
11 the Federated States of Micronesia by budget appropriation, and
12 such gifts, bequests, donations, contributions or grants as may be
13 received by the Federated States of Micronesia which are
14 specifically designated for the benefit of former Presidents.

15 (2) Each former President shall be entitled for the remainder of
16 his or her life to receive from the Trust Fund a monetary allowance
17 in an amount of not more than \$700 per month, payable by the
18 Secretary of Finance; provided, however, that the amount of such
19 allowance shall not exceed an amount which, when applied equally to

1 all eligible former presidents, would exceed the maximum
2 distribution from such Trust Fund as determined pursuant to
3 subsection (d). Provided further that such allowance shall not be
4 paid to a former President for any period year in which he or she
5 earned over \$25,000 gross per annum, unless the former President is
6 over the age of 60.

7 (3) For clarity, the monetary allowance is paid to a beneficiary
8 of a trust, and is not subject to social security contributions.

9 (4) As used in this section, the term "former
10 President" means a person who shall have held the office of
11 President of the Federated States of Micronesia, who does not then
12 currently hold such office and whose service in such office shall
13 have terminated other than by removal pursuant to the Constitution
14 and Statutes of the Federated States of Micronesia.

15 (5) At the beginning of each fiscal year, the Secretary of
16 Finance and Administration shall determine the maximum allowable
17 distribution from the Trust Fund. The Secretary of Finance and
18 Administration shall take into consideration:

19 (a) appropriations by Congress;

20 (b) earnings of the Trust Fund;

21 (c) the need to preserve the corpus of the Trust Fund;

22 (d) other relevant factors that will insure the permanency
23 of the Trust Fund.

24 (e) After the end of each fiscal year, and before October
25 31 of the next fiscal year, the Secretary of Finance and
26 Administration will report to Congress on all activity relating to

