

A BILL FOR AN ACT

To further amend Public Law No. 19-85, as amended by Public Law No. 19-155, by amending sections 2, 4 and 6; renumber section 7 as section 9; and by adding new sections 7 and 8, to add the role of Chief Negotiator of the Amended Compact of Free Association with the United States of America to the responsibilities of the Joint Committee on Compact Review and Planning (JCRP), to make other modifications with respect to the financial management of JCRP, and for other purposes.

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

1 Section 1. Section 2 of Public Law No. 19-85 is hereby

2 amended to read as follows:

3 "Section 2. Establishment of the Joint Committee on
4 Compact Review and Planning. There is hereby created and
5 established a joint committee to be known as the Joint
6 Committee on Compact Review and Planning ("JCRP").

7 Subject to the addition of a Chief Negotiator as
8 described below, this JCRP shall comprise nine members as
9 follows: one representative from each of the four States,
10 as appointed the President in consultation with the
11 leadership of each State, and four representatives from
12 the Congress of the Federated States of Micronesia, one
13 from each congressional delegation. The Secretary of
14 Foreign Affairs shall be a member ex officio. He shall
15 chair the Joint Committee's first meeting and organize
16 the election of its Chairman and Vice Chairman. Six of

1 the members shall constitute a quorum for the transaction
2 of business. Decisions shall be made within the
3 Committee by at least five concurring votes, with each
4 participating member casting a single vote. The JCRP
5 shall appoint a person within the FSM State and National
6 governments to be the Chief Negotiator. Should the
7 appointed Chief Negotiator be selected outside of the
8 existing nine members, he shall become a tenth JCRP
9 member. If the Chief Negotiator is chosen among the
10 existing nine members, that member shall not receive
11 additional remuneration for the duties of Chief
12 Negotiator.”

13 Section 2. Section 4 of Public Law No. 19-85, as amended by
14 Public Law No. 19-155, is hereby further amended to read as
15 follows:

16 “Section 4. Mandate. The JCRP shall carry out the
17 following responsibilities and obligations:

18 (1) In consultation with the President and the
19 Congress, set goals and objectives in anticipating of the
20 termination of the financial provisions and for
21 negotiations of the Amended Compact of Free Association;

22 (2) Conduct a thorough analysis of all factors
23 relating the future of the Nation;

24 (3) Develop all necessary strategies and approaches
25 to enable the Federated States of Micronesia to explore

1 alternatives for the future of the Nation; provided that
2 any contemplated or proposed negotiations with the United
3 States related to the Amended Compact of Free Association
4 be limited solely to Title Two Economic Provisions;

5 (4) Direct its Secretariat in preparing the
6 documentation necessary to accomplish its
7 responsibilities hereunder;

8 (5) Analyze all economic information available on the
9 Federated States of Micronesia, with the aim of
10 identifying the FSM's continuing requirement for
11 reasonable, fair, and effective financial assistance from
12 all sources from the year 2023 onward;

13 (6) Provide reports periodically to the Congress at
14 each regular session, and to the Office of the President,
15 on all developments, actual or potential, positive or
16 negative, that may be related to the future of the
17 Nation, including but not limited to new information,
18 actions, communications, domestic and foreign policies,
19 bilateral and multilateral plans, as well as periodic
20 surveys exploring the value of net benefits to a foreign
21 nation from an exclusive security prerogative;

22 (7) Collaborate with the State Governments, the
23 Department of Foreign Affairs, the Congress, and the
24 Office of the President in identifying the nominees for
25 the JCRP whose selection will be subject to Congress's

1 expressed approval;

2 (8) Use funds for each separate category of expense
3 only up to the aggregate amount of the line-items of the
4 corresponding expense category set out in the associated
5 appropriations bill or bills approved by Congress and
6 select and hire the personnel needed to staff the
7 Secretariat, as specified in section 6 below;

8 (9) Conduct negotiations on the expiring terms of the
9 Amended Compact of Free Association with the United
10 States of America."

11 Section 3. Section 6 of Public Law No. 19-85, is hereby
12 amended to read as follows:

13 "Section 6. Establishment of the Secretariat. There is
14 hereby created and established a full-time Secretariat
15 for the JCRP. The Secretariat shall consist of an
16 Executive Director, an Administrative Officer, a staff
17 counsel, and a secretary, all based in Pohnpei. In
18 addition to the Secretariat, the work of the Joint
19 Committee shall also be supported by the FSM Embassy to
20 the United States of America, by existing Washington D.C.
21 based legal counsel, and others as may be directed by the
22 President. The Secretariat shall have the following
23 responsibilities: (1) Provide all administrative and
24 logistical support to the JCRP, and shall (a) prepare an
25 annual budget for approval by the Joint Committee, (b)

1 transmit an approved budget to the President to submit,
2 with comments, to the Congress of the Federated States of
3 Micronesia; (2) Coordinate with the various departments,
4 offices and agencies of the FSM and State Governments to
5 collect all information and technical input necessary for
6 satisfying its responsibilities; and (3) As directed by
7 the JCRP, hire professionals including an outside
8 developmental economist and other consultants with
9 expertise in security or defense policy to assist the
10 Joint Committee with any aspect of its responsibilities,
11 particularly those that are provided under section 4(5)
12 above."

13 Section 4. Public Law No. 19-85, as amended by Public Law
14 No. 19-155, is hereby further amended by adding a new section 7
15 to read as follows:

16 "Section 7. Negotiated agreement. JCRP shall submit any
17 agreement negotiated by it pursuant to this law to the
18 President or his designee for signature. Any such
19 agreement shall be subject to ratification as required by
20 law."

21 Section 5. Public Law No. 19-95, as amended by Public Law
22 No. 19-155, is hereby further amended by adding a new section 8
23 to read as follows:

24 "Section 8. Allotment and management of funds. All
25 funds appropriated to JCRP shall be allotted, managed,

1 administered, and accounted for in accordance with
2 applicable law, including, but not limited to, the
3 Financial Management Act of 1979. The allottee of funds
4 appropriated shall be the Chairman of JCRP. The allottee
5 of the funds appropriated shall be responsible for
6 ensuring that funds are used solely for the purpose
7 specified in this act, and that no obligations are
8 incurred in excess of sums appropriated. All funds
9 appropriated to JCRP may be managed solely by JCRP in a
10 separate banking account at a financial institution
11 agreed upon by JCRP. JCRP must report all spending in
12 accordance to applicable laws, regulations and policies.”

13 Section 6. Public Law No. 19-85, as amended by Public Law
14 No. 19-155, is hereby further amended by renumbering existing
15 section 7 as section 9.

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1 Section 7. This act shall become law upon approval by the
2 President of the Federated States of Micronesia or upon its
3 becoming law without such approval.

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9 OVERRIDE MAY 7, 2019

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Peter M. Christian
President
Federated States of Micronesia

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