

CHAPTER 12.**GENERAL FISCAL MATTERS****ARRANGEMENT OF SECTIONS****Section**

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An Act to provide for fiscal matters in the Republic and for matters connected therewith.[Section numbering style modified to conform to new Code format (Rev.2003)]

Commencement:

Source: TTC 1966
 77 TTC 1970
 COM P.L. 6-108 (1976)
 COM P.L. 6-III (1976)
 77 TTC 1980

§1201. Short title.

This Chapter may be cited as the "General Fiscal Matters Act". **Note: Section 1 has been added to conform this Act to the format of this Revised Code.**

§1202. "Legal Tender" defined

The legal tender of the Republic shall be the coins and currencies of the United States; provided, however, no restriction shall be made on the use of local forms of barter and exchange in transactions among citizens of the Republic. [TTC 1966, §1140; 77 TTC 1970, §1201; 77 TTC 1980, §401, modified.]

§1203. Fiscal responsibility of the Government of the Marshall Islands.

The Government of the Marshall Islands shall be responsible for the following, and shall submit to the Chief Secretary annually for approval a budget providing for:

(a) payment of salaries of officials whose duties are performed entirely within the jurisdiction of the Republic;

(b) repair and maintenance of public buildings; and

(c) repair and maintenance of public roads, walks, paths, bridges and wharves within the Republic. No expenditures from government funds shall be made except in accordance with an approved budget. [TTC 1966, §1141; 77 TTC 1970, §1202; 77 TTC 1980, §402, modified]

§1204. Official responsible for local government funds.

Each local government shall have an official who shall be responsible for the collection and disbursement of all local government funds. [TTC 1966, §1142; 77 TTC 1970, § 1203; 77 TTC 1980, §403.]

§1205. Expenditures in excess of amount available.

(1) No officer or employee of the Republic shall make or authorize an expenditure from or create or authorize an obligation under any appropriation, apportionment, reapportionment or allotment of funds of the Nitijela in excess of the amount available therefrom; nor shall any such officer or employee involve the Government of the Marshall Islands in any contract or other obligation, for the payment of money for any purpose, in advance of appropriations made for such purpose.

(2) In the case of a violation of Subsection (1) of this Section, the Secretary of Finance shall immediately report to the Cabinet and to the Congress all pertinent facts together with a statement of the action taken thereon.

(3) Any officer or employee of the Republic who shall knowingly and wilfully violate Subsections (1) and (2) of this Section shall be guilty of an offense and shall upon conviction be liable to a fine not more than \$1,000, or to a term of imprisonment not exceeding more than one year, or both. [COM P.L. 6-108, §§1 to 3 (1976); 77 TTC 1980, §404, modified.]

§1206. Documentary evidence of obligations of the Republic.

No amount shall be recorded as an obligation of the Republic unless it is supported by documentary evidence of:

(a) a binding agreement in writing between the parties thereto, including government agencies, in a manner and form and for purpose authorized by any law of the Republic, executed before the expiration of the period of availability for obligation of the appropriation or fund concerned for specific goods to be delivered, real property to be purchased or leased, or work or services performed;

(b) a valid loan agreement, showing the amount of the loan to be made and the terms of repayment thereof;

(c) an order required by a law of the Republic to be placed with an agency;

(d) an order issued pursuant to a law of the Republic authorizing purchase without advertising when necessitated by public exigency or for perishable subsistence supplies or within specific monetary limitations;

(e) a grant or subsidy payable:

(i) from appropriations made for payment of, or contributions toward, sums required to be paid in specific amounts fixed by a law of the Republic, or in accordance with formulae prescribed by a law of the Republic;

(ii) pursuant to an agreement authorized by, a law of the Republic;

(f) a liability which may result from pending litigation brought under authority of a law of the Republic; or

(g) employment or services of persons or expense of travel in accordance with a law of the Republic, and services performed by public utilities; or

(h) any other legal liability of the Republic against an appropriation or fund legally available therefor. [COM P.L. 6-111, §1 (1976); 77 TTC 1980, §405, modified.]

§1207. Time limitation on availability of appropriations or funds.

No appropriation or fund which is limited for obligation purposes to a definite period of time shall be available for expenditure after the expiration of such period except for the liquidation of amounts obligated in accordance with applicable law; but no such appropriation shall remain available for expenditure for any period beyond that authorized by a law of the Republic. [COM P.L. 6-111, §2(1976); 77 TTC 1980, §406, modified.]

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