

Proposal No.: CC-PR-4-57

Assigned to: Committee on Public Finance & Revenue

## PROPOSAL TO AMEND CONSTITUTION

To amend Article XII, Section 2(a) of the Constitution of the Federated States of Micronesia to limit the growth of the budget of the national government to a 10% annual increase.

### Section 2.

- (a) The President shall submit an annual budget to Congress at a time prescribed by statute. The budget shall contain a complete plan of proposed expenditures, anticipated revenues, and other money available to the national government for the next fiscal year, together with additional information that Congress may require. The budget for the national government, inclusive of all agencies, departments, and public corporations, shall increase no more than 10% per annum. The Congress may alter the budget in any respect, except that the budget Congress approves cannot exceed the 10% per annum increase.

### PURPOSE AND INTENT OF AMENDMENT:

It is important for the FSM to become fiscally stable and fiscally responsible. We must insure that we save for future contingencies, including natural disasters and rising sea levels. By capping the national budget to a 10% per annum increase, the national government should be able to address the needs of the country and meet inflation while also being fiscally responsible.

Introducer:

  
Redley Killion

Date:

Jan. 21, 2020