

A BILL FOR AN ACT

To amend Title 5, at subsection (1) of Section 5.201 of the Kosrae State Code to restructure the Department of Administration and Finance; to further amend subsection (1) to include a new subsection (d) to establish a new Division of Tax and Revenue and a new subsection (e) to establish a Division of Budget; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE:

1 Section 1. Purpose. The purpose of this act is to realign the functions of Department of
2 Administration and Finance by creating a new subsection (d) to establish a new Division of Tax
3 and Revenue Administration, and to create a new subsection (e) to establish a Division of Budget
4 Management. The proposed changes will clarify the key functions of the Division of Tax and
5 Revenue Administration and ensure that essential functions of tax officials are focused on the
6 execution of their duties under the department related to budgeting and tax collection,
7 enforcement and other tax related functions under the law, and will further clarify the key
8 functions of the Division of Budget and ensure that essential functions of budget officials are
9 focused on the execution of their duties under the department related to budget matters; and
10 further eliminate the bottle neck in budgetary and financial processes and improve efficiency in
11 the department execution of its mandates.

12 Section 2. Amendment. Title 5, Section 5.201(1) is hereby amended to read as
13 follows:

14 “Section 5.201. The Executive has the following principal departments which have
15 the components indicated below:

16 (1) The Department of Administration and Finance

- 1 The Division of Personnel and Employment Services
- 2 The Division of Finance
- 3 The Division of ~~Budget~~Budget Planning, Statistics, and Overseas Development
- 4 Assistance
- 5 The Division of Tax, and Revenue Administration
- 6 The Division of Budget Management.”

7 Section 3. Effective Date. This act shall take effect upon approval by the
8 Governor or upon its becoming law without such approval.

9
10
11
12
13

Date: 3/27/19

Introduced by: *J. M. [Signature]*
(By request)