

A BILL FOR AN ACT

To amend section 203 of title 21 of the Code of the Federated States of Micronesia to open mobile telecommunications services in the FSM to competition, and for other purposes.

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

1           Section 1. Section 203 of title 21 of the Code of the  
2   Federated States of Micronesia is hereby amended to read as  
3   follows:

4           "Section 203. Powers and responsibilities of the  
5           Corporation.

6           The Corporation has the following powers and  
7           responsibilities:

8                   (1) to operate as the sole provider of all  
9           telecommunications services, except radio and  
10          television broadcasting and mobile or cellular  
11          telecommunications services, within the Federated  
12          States of Micronesia and between points in the  
13          Federated States of Micronesia and points outside  
14          thereof;

15                   (2) to operate and manage such services on  
16          the basis of commercially accepted practices,  
17          treating all users of telecommunications services  
18          on equitable terms in accordance with its  
19          published tariffs, and requiring all users to pay  
20          for the services provided;

21                   (3) to plan for the expansion and improvement

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1 of telecommunications facilities and services;

2 (4) to the extent practicable, to expand  
3 telecommunications services to areas and  
4 communities in the Federated States of Micronesia  
5 that are presently unserved or poorly served and  
6 to improve the quality, reliability, and variety  
7 of services available to all users in a manner  
8 consistent with commercial reasonableness and with  
9 promoting economic development, the advancement of  
10 education and health care, and the preservation of  
11 the cultural identity of the people of the  
12 Federated States of Micronesia;

13 (5) to improve the telecommunications skills  
14 and promote the telecommunications training of  
15 Micronesian citizens who are employees of the  
16 Corporation;

17 (6) to establish, publish, and implement a  
18 structure of tariffs and rates for  
19 telecommunications services calculated to ensure  
20 that, to the extent practicable, adequate and  
21 equitable charges are imposed for services and  
22 that the tariff structure promotes the increased  
23 use of telecommunications services;

24 (7) to invest all surplus revenues of the  
25 Corporation in the expansion and improvement of

1 telecommunications facilities and services;  
2 (8) to incur indebtedness for the purpose of  
3 expanding and improving telecommunications  
4 facilities, to the extent and on such terms as are  
5 deemed commercially reasonable by the Corporation;

6 (9) to provide on a reimbursable basis  
7 emergency telecommunications services to  
8 governments, individuals, and entities in the  
9 Federated States of Micronesia; and

10 (10) to represent the Federated States of  
11 Micronesia with regard to telecommunications matters in  
12 such international organizations and fora in which the  
13 Federated States of Micronesia is represented, subject  
14 to the policy guidance of the Government of the  
15 Federated States of Micronesia."

16 Section 2. This act shall become law upon approval by the  
17 President of the Federated States of Micronesia or upon its  
18 becoming law without such approval.

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20 Date: 3/23/11

Introduced by: /s/ Dion G. Neth  
Dion G. Neth

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