A BILL FOR AN ACT

To further amend chapter 6 of title 55 of the Code of the Federated States of Micronesia, as amended by Public Laws Nos. 10-152, 12-17, 13-54, 16-14, and 16-66, by creating a new subchapter XVIII under chapter 6 to establish a Fishing Fee Revolving Fund, and for other purposes.

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

Section 1. Chapter 6 of title 55 of the Code of the Federated States of Micronesia, as amended by Public Laws Nos. 10-153, 12-17, 13-54, 16-14 and 16-66, is hereby further amended by creating a new subchapter XVIII under chapter 6 entitled “Fishing Fee Revolving Fund.”

Section 2. Chapter 6 of title 55 of the Code of the Federated States of Micronesia, as amended by Public Laws Nos. 10-153, 12-17, 13-54, 16-14 and 16-66, is hereby further amended by inserting a new section 1801 to subchapter XVIII of chapter 6, to read as follows:

"Section 1801. Establishment. There is hereby created and established a Fishing Fee Revolving Fund, separate from the General Fund of the Federated States of Micronesia and all other funds."

Section 3. Chapter 6 of title 55 of the Code of the Federated States of Micronesia, as amended by Public Laws Nos. 10-153, 12-17, 13-54, 16-14 and 16-66, is hereby further amended by inserting a new section 1802 to subchapter XVIII of chapter 6, to read as
Section 1802. Purpose. The purpose of the Fund is to increase transparency of amounts and destinations of fishing fee revenues."

Section 4. Chapter 6 of title 55 of the Code of the Federated States of Micronesia, as amended by Public Laws Nos. 10-153, 12-17, 13-54, 16-14 and 16-66, is hereby further amended by inserting a new section 1803 to subchapter XVIII of chapter 6, to read as follows:

“Section 1803. Deposits. All proceeds collected upon any agreement, license, or other arrangement entered into pursuant to Title 24 of the Code of the Federated States of Micronesia shall be deposited into the Fund. Any unexpended moneys in this Fund shall neither revert to the General Fund nor lapse at the end of the fiscal year, but shall remain in the Fund until disbursed pursuant to section 1805 of this subchapter.”

Section 5. Chapter 6 of title 55 of the Code of the Federated States of Micronesia, as amended by Public Laws Nos. 10-153, 12-17, 13-54, 16-14 and 16-66, is hereby further amended by inserting a new section 1804 to subchapter XVIII of chapter 6, to read as follows:

“Section 1804. Administration. The fund shall be administered by the President of the Federated States of Micronesia, or his designee, who shall establish procedures
necessary and appropriate for the effectuation and implementation of the provisions of this subchapter."

Section 6. Chapter 6 of title 55 of the Code of the Federated States of Micronesia, as amended by Public Laws Nos. 10-153, 12-17, 13-54, 16-14 and 16-66, is hereby further amended by inserting a new section 1805 to subchapter XVIII of chapter 6, to read as follows:

"Section 1805. Disbursements.

(1) Disbursements shall be made quarterly. No disbursement shall be made from the Fund except in accordance with the provisions of this section.

(2) Disbursement Formula.

(a) Twenty (20) percent of all deposits to the Fund shall be disbursed to the four FSM states in amounts to be determined by a formula designated in a Memorandum of Understanding between the National and State governments.

(b) Twenty (20) percent of all deposits shall be transferred into the FSM Trust Fund created under Chapter 12 of title 55 of the Code of the Federated States of Micronesia.

(c) Sixty (60) percent of all deposits shall be transferred to the General Fund created by section 208 of title 55 of the Code of the Federated States of Micronesia."
Section 7. This act shall become law upon approval by the President of the Federated States of Micronesia or upon its becoming law without such approval.

Date: 3/27/12

Introduced by: /s/ Wesley W. Simina

Wesley W. Simina