

STANDING COMMITTEE REPORT NO. 20-53

RE: C.B. NO. 20-38/R&D

SUBJECT: AMENDMENT TO SECTION 920 OF TITLE 24 OF  
THE FSM CODE

FEBRUARY 05, 2018

The Honorable Wesley W. Simina  
Speaker, Twentieth Congress  
Federated States of Micronesia  
Third Regular Session, 2018

Dear Mr. Speaker:

Your Committee on Resources and Development, to which was  
referred C.B. No. 20-38, entitled:

"A BILL FOR AN ACT TO FURTHER AMEND TITLE 24 OF THE CODE OF  
THE FEDRATED STATES OF MICRONESIA (ANNOTATED), AS AMENDED,  
BY AMENDING SECTION 920 THEREOF, TO ALLOW FOR PROPER  
IMPLEMENTATION OF NORMA ADMINISTRATIVE PENALITIES, AND FOR  
OTHER PURPOSES.",

begs leave to report as follows:

The intent and purpose of the bill are expressed in its title.

The subject bill was transmitted to the Twentieth Congress on  
May 26, 2017 through Presidential Communication No. 20-26. The  
purpose of the proposed amendment is to change the minimum  
penalty allowed for citation or administrative penalty for minor  
fisheries violations.

Your Committee on Resources and Development conducted a public  
hearing on the said bill on Friday, February 2, 2018. Chairman

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David W. Panuelo chaired the hearing. Members present were Vice Speaker Esmond B. Moses, Joseph J. Urusemal, Isaac V. Figir and Paliknoa K. Welly. Witnesses included the Executive Director of the National Oceanic Resource Management Authority, Eugene Pangelinan, Deputy Director Mathew Chigiyal and Brad Phillip from NORMA; Alisa Takasy and Valentin Martin from the Department of Resources and Development; Peltesar Petrus from the Office of the President and Assistant Attorney General Johnson Asher from the Department of Justice.

At the hearing, the witnesses testified that the amendment to section 920 of title 24 of the FSM Code is to make it very efficient and friendly for the application of said section. Currently, the minimum penalty as established by section 920 is \$40,000 and the maximum is \$100,000. The proposed amendment removes the minimum penalty of \$40,000 to allow lower amounts for citable fisheries offenses. These citable offenses would be enumerated in the proposed NORMA Administrative Penalties Regulations.

According to Mr. Pangelinan, under the proposed NORMA Administrative Penalties Regulations, penalty amounts for citations range from five hundred dollars (\$500) to five thousand dollars (\$5,000) and cannot be implemented with the current threshold of \$40,000 in section 920 of title 24 of the FSM Code. So the NORMA Administrative Penalties Regulations was halted because of the current language in section 920 of title 24 of the FSM Code.

According to the witnesses, one practice aspect of the current law is that when our patrol boats come across fishing vessels that violated a minor penalty, like non-compliance issues, that is not worth \$40,000, they need to consult NORMA or the Department of Justice on what to do. So the proposed amendment is to allow NORMA to improve the overzealous enforcement that is imposed to fishing companies on a minor penalty. Thus, the proposed bill will harmonize Title 24 with NORMA Administrative Penalties Regulations and also will allow NORMA or the Department of Justice to issue penalty amounts that are reasonable for the minor fisheries offenses.

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Conclusion

Your Committee on Resources and Development is in accord with the intent and purpose of C.B. No. 20-38 and recommends its passage on First Reading and that it be placed on the calendar for Second and Final Reading in the form attached hereto C.B. No. 20-38.

Respectfully submitted,

/s/ David W. Panuelo  
David W. Panuelo, chairman

/s/ Tiwiter Aritos  
Tiwiter Aritos, vice chairman

/s/ Victor V. Gouland  
Victor V. Gouland, member

Isaac V. Figir, member

/s/ Derensio S. Konman  
Derensio S. Konman, member

/s/ Esmond B. Moses  
Esmond B. Moses, member

/s/ Alik L. Alik  
Alik L. Alik, member