A BILL FOR AN ACT

To amend section 1222 of title 55 of the Code of the Federated States of Micronesia, (Annotated), as amended by Public Law No. 21-105, and to amend section 325 of title 54 F.S.M.C., to divert temporarily from the date this bill is signed into law, starting on the fiscal year 2023, the 20% of revenue derived from fishing access fees and the 50% of revenue derived from major corporation to Social Security instead of the FSM Trust Fund, and for other purposes.

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

Section 1. Section 1222 of Title 55 of the Code of the Federated States of Micronesia (Annotated), as amended by Public Law No. 21-105, is hereby further amended to read as follows:

“Section 1222. Transfer of Fishing Access Fees. Twenty percent (20%) of all National Government revenue deriving from fishing access fees collected in a fiscal year shall be deposited into the FSM Trust Fund;

PROVIDED, THAT, from the date this bill is signed into law, the remaining funds not yet deposited in the FSM Trust Fund during the fiscal year ending on September 30, 2020, the 20% portion of revenue referred to in this section shall be deposited into the Tourism Sector Mitigation Fund established under section 609A of chapter 6 of title 55 of the Code of the Federated States of Micronesia; FURTHER PROVIDED, THAT, starting on the fiscal year 2023 the 20% portion of revenue referred to in this section shall be deposited into
Social Security established under title 53 of the Code of the Federated States of Micronesia. The Department of Finance and Administration shall be responsible for transmitting a report to Congress no fewer than ten (10) days prior to any Congressional session, indicating the portion of any new available appropriable revenue derived from fishing access fees that is to be deposited into the FSM Trust Fund and the Tourism Sector Mitigation Fund. This section shall take effect on October 1, 2018."

Section 2. Section 325 of Title 54 of the Code of the Federated States of Micronesia (Annotated), as amended, is hereby amended to read as follows:

"Section 325: Fifty percent (50%) of the tax generated pursuant to section 321 of this subchapter shall be deposited into the FSM Trust Fund; PROVIDED, THAT, from the date this bill is signed into law, the remaining funds not yet deposited in the FSM Trust Fund during the fiscal year ending on September 30, 2020, the 50% portion of revenue referred to in this section shall be deposited into the Tourism Sector Mitigation Fund established under section 609A of chapter 6 of title 55 of the Code of the Federated States of Micronesia; FURTHER PROVIDED, THAT, starting on the fiscal year 2023 the 50% portion of revenue referred to in this section
shall be deposited into Social Security established
under title 53 of the Code of the Federated States of
Micronesia."

Section 3. 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: 5/11/21 Introduced by: /s/ Ferny S. Perman
Ferny S. Perman