

---

A BILL FOR AN ACT

To further amend title 21 of the Code of the Federated States of Micronesia, as amended, by amending section 203 and adding a new section 232 for the purpose of improving the Telecommunications services provided to the outer islands, 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           (1) The Corporation has the following powers and  
7           responsibilities:

8           ~~[(1)]~~ (a) to operate as the sole provider of all  
9           telecommunications services, except with respect to  
10          intra-state inter-island communications, and except  
11          radio and television broadcasting, within the Federated  
12          States of Micronesia and between points in the Federated  
13          States of Micronesia and points outside thereof;

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

19          ~~[(3)]~~ (c) to plan for the expansion and improvement of  
20          telecommunications facilities and services;

---

1           [~~(4)~~] (d) to the extent practicable, to expand  
2           telecommunications services to areas and communities in  
3           the Federated States of Micronesia that are presently  
4           unserved or poorly served and to improve the quality,  
5           reliability, and variety of services available to all  
6           users in a manner consistent with commercial  
7           reasonableness and with promoting economic development,  
8           the advancement of education and health care, and the  
9           preservation of the cultural identity of the people of  
10          the Federated States of Micronesia;  
11          [~~(5)~~] (e) to improve the telecommunications skills and  
12          promote the telecommunications training of Micronesia  
13          citizens who are employees of the Corporation;  
14          [~~(6)~~] (f) to establish, publish, and implement a  
15          structure of tariffs and rates for telecommunications  
16          services calculated to ensure that, to the extent  
17          practicable, adequate and equitable charges are imposed  
18          for services and that the tariff structure promotes the  
19          increased use of telecommunications services;  
20          [~~(7)~~] (g) to invest all surplus revenues of the  
21          Corporation in the expansion and improvement of  
22          telecommunications facilities and services;  
23          [~~(8)~~] (h) to incur indebtedness for the purpose of  
24          expanding and improving telecommunications facilities,  
25          to the extent and on such terms as are deemed

---

1           commercially reasonable by the Corporation;  
2           ~~[(9)]~~ (i) to provide on a reimbursable basis emergency  
3           telecommunications services to governments, individuals,  
4           and entities in the Federated States of Micronesia; and  
5           ~~[(10)]~~ (j) to represent the Federated States of  
6           Micronesia with regard to telecommunications matters in  
7           such international organizations and for fora in which  
8           the Federated States of Micronesia is represented,  
9           subject to the policy guidance of the Government of the  
10          Federated States of Micronesia.

11          (2) No provision of subsection 1 of this section shall  
12          be construed to limit the states' authority to develop  
13          intra-state, inter-island communications networks.

14          Section 2. Title 21 of the Code of the Federated States of  
15          Micronesia, as amended, is hereby further amended by adding a new  
16          Section 232 to read as follows:

17          "Section 232. Inter-island Communication Networks.  
18          Notwithstanding Section 203 of this Chapter, the states  
19          shall have the authority to establish inter-island  
20          communications networks for the purpose of providing  
21          intra-state, inter-island communications services.

