

AN ACT

To further amend chapter 6 of title 55 of the Code of the Federated States of Micronesia (Annotated), as amended, by adding a new section 609A, for the purpose of establishing a temporary tourism sector mitigation relief fund to alleviate some of the economic loss felt by the tourism industry and individuals working in the tourism industry who were laid off during the coronavirus epidemic, and for other purposes.

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

1 Section 1. Chapter 6 of title 55 of the Code of the
2 Federated States of Micronesia (Annotated), as amended, is
3 hereby further amended by adding a new section 609A, to read as
4 follows:

5 "Section 609A. Tourism Sector Mitigation Fund.

6 (1) There is created a Tourism Sector Mitigation Fund
7 to be used to partially offset the economic losses of
8 the businesses in the tourism industry and individuals
9 working in the tourism industry who were laid off in the
10 Federated States of Micronesia during the coronavirus
11 epidemic.

12 (2) Moneys for the Tourism Sector Mitigation Fund
13 shall be derived from appropriations by the Congress of
14 the Federated States of Micronesia and the State
15 legislatures, United States grants, funds designated for
16 such purposes from international organizations and from
17 any and all other appropriate sources.

1 (3) Tourism sector businesses operating in the
2 Federated States of Micronesia seeking relief from the
3 Tourism Sector Mitigation Fund must show tax returns
4 from the previous year in order to establish their
5 losses claimed under this fund. Individuals in the
6 tourism sector, who are seeking compensation for lost
7 wages due to being laid off as a result of the economic
8 downturn, must submit their last paycheck stub and a
9 statement from their employer in the tourism industry,
10 who laid them off, evidencing their unemployment. The
11 President shall issue regulations for equitable
12 compensation for affected businesses, including a
13 possible cap on the amount of a valid claim.

14 (4) The distributions from the funds shall be managed
15 and administered by a committee named by the President
16 comprising representatives of the Departments of
17 Resources and Development; Finance; Justice; and
18 Environment, Climate Change and Emergency Management.
19 The committee shall report quarterly to Congress on the
20 status of the fund and distributions therefrom.

21 (5) For the purposes of this fund tourism sector
22 businesses shall include hotel operators, car rentals,
23 tour operators, resorts, dive shops, airlines or any
24 other tourist specific business not mentioned above.

1 (6) The Tourism Sector Mitigation Fund shall expire
2 at the end of fiscal year 2021. Any unexpended funds
3 shall lapse into the Disaster Relief Fund.”

4 Section 2. This act shall become law upon approval
5 by the President of the Federated States of Micronesia or
6 upon its becoming law without such approval.

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_____ April 3, 2020

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/s/ David W. Panuelo

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David W. Panuelo

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President

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Federated States of Micronesia

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