

A BILL FOR AN ACT

To further amend title 24 of the Code of the Federated States of Micronesia, as amended, by further amending sections 301, 303, and 402, as amended by Public Law No. 6-11, by further amending section 401, as amended by Public Laws Nos. 5-37 and 6-11, to revise the fisheries laws of the Federated States of Micronesia, and for other purposes.

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

1 Section 1. Section 301 of title 24 of the Code of the Federated States of Micronesia,
2 as amended by Public Law No. 6-11, is hereby further amended to read as follows:

3 "Section 301. Micronesian Maritime Authority - Established.

4 (1) There is established a Micronesian Maritime
5 Authority composed of five members appointed as follows:

6 (a) One representative of each State appointed by the
7 President of the Federated States of Micronesia, in consultation with the
8 Governor and approved by the Congressional Delegation of the ~~affected~~
9 respective State; PROVIDED, however, that no such representative shall also
10 serve as a member of the Board of Directors of the National Fisheries
11 Corporation of the Federated States of Micronesia, or any subsidiary or
12 affiliate thereof, or have a business interest in an affected private
13 fisheries enterprise, including stocks and bonds in a fisheries business,
14 during the term of his or her membership on the Authority, except that
15 the interest in the private entity be a blind trust; and

16 (b) One at-large member appointed by the President of
17 the Federated States of Micronesia and confirmed by the Congress of the
18 Federated States of Micronesia.

19 (2) All appointments shall be for a term of two years. The
20 term of office of each original member shall commence effective the
21 date of the first meeting of the Authority after the effective date of
22 this act. Upon the expiration of the term of an appointed member,
23 his or her rights and powers of membership shall lapse and the executive
24 director shall declare the vacancy and notify the President of the
25 Federated States of Micronesia in writing of such vacancy. Vacancies

1 occurring before the expiration of a member's term shall be filled in the
2 same manner as the original appointment for the remainder of the term of
3 office of the vacancy.

4 (3) The chairman shall be chosen by the majority vote of the
5 members of the Authority. The Authority shall meet at such times
6 and places as may be designated by the chairman or by the Authority.
7 The Authority shall adopt its own rules of procedure and regulations
8 by majority vote."

9 Section 2. Section 303 of title 24 of the Code of the Federated States of
10 Micronesia, as amended by Public Law No. 6-11, is hereby further amended to read as follows:

11 "Section 303. Duties and functions. In addition to the authority
12 granted in the preceding section, the Authority shall have the
13 following duties and functions:

14 (1) to provide technical assistance in the delimitation of the
15 ~~Exclusive Economic Zone~~ in accordance with section 107 of title 18;

16 (2) to negotiate domestic-based and foreign fishing
17 agreements in accordance with sections 404 and 406 of this title;

18 (3) to issue permits for fishing in the Territorial Sea or
19 internal waters of a State as authorized pursuant to section 117;

20 (4) to submit its budget and a report regarding the expenditure
21 of its funds to the Congress each regular session for review; ~~and~~

22 (5) to notify the relevant State delegation in the Congress of
23 the Federated States of Micronesia, the Governor of the relevant
24 State and relevant State officials, of accidents, including oil spills,
25 vessels sinking and running aground, and environmental damage

1 occurring in the States; and

2 ~~(5)(6)~~ to perform such other duties and functions as may be

3 necessary to carry out the purposes of this title."

4 Section 3. Section 401 of title 24 of the Code of the Federated States of
5 Micronesia, as amended by Public Laws Nos. 5-37 and 6-11, is hereby further amended
6 to read as follows:

7 "Section 401. Foreign fishing agreements - Required.

8 (1) ~~No foreign fishing vessel shall be issued a permit shall be issued~~
9 for foreign fishing to fish in the Exclusive Economic Zone unless
10 pursuant to without having entered into a foreign fishing agreement; and

11 (2) No permit shall be issued for foreign fishing unless pursuant to
12 section 402 of this title."

13 Section 4. Section 402 of title 24 of the Code of the Federated States of
14 Micronesia, as amended by Public Law No. 6-11, is hereby further amended to read as follows:

15 "Section 402. Fees for foreign fishing permits.

16 (1) Fees and other forms of compensation for ~~the right to exploit~~
17 ~~marine resources~~ foreign fishing within the Exclusive Economic Zone of
18 the Federated States of Micronesia by foreign fishing vessels shall be
19 established in foreign fishing agreements entered into pursuant to sections
20 401, 404 and 405 of this title;

21 (2) (a) Fees for foreign fishing shall not be less than 15% of the
22 value of the annual catch from each foreign fishing venture;

23 (b) New foreign fishing agreements shall establish a
24 premium fee of not less than 50% of the value of the annual catch from
25 each new foreign fishing venture to compensate for the use of the Exclusive

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Economic Zone of the Federated States of Micronesia:

(c) No existing foreign fishing agreements shall be renewed under the existing fee terms except:

(i) the existing fees shall not be less than 15% of the value of the annual catch from the foreign fishing venture; and

(ii) the existing fees shall include a premium of not less than 50% of the value of the annual catch of the foreign fishing venture for the use of the Exclusive Economic Zone of the Federated States of Micronesia.

(3) A foreign fishing venture may be permitted a limited exemption from subsection (2) of this section, by a fee increase exemption agreement.

(4) Approval of fee increase exemption agreement:

(a) To take effect, a fee increase exemption agreement shall require the approval of the Congress of the Federated States of Micronesia by resolution.

(b) The Committee on Ways and Means of the Congress of the Federated States of Micronesia may approve such a fee increase exemption agreement if the Congress is not in session.

(c) MMA, in consultation with the Secretary of Finance, shall submit to the Congress of the Federated States of Micronesia for approval each proposed fee increase exemption agreement requesting the fee increase exemption, which fee increase exemption shall include:

(i) an economic analysis of the costs and benefits of the fee increase exemption;

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- (ii) projected revenue returns on the business;
- (iii) other justification for the fee increase exemption agreement; and
- (iv) such additional information as the MMA may require, by regulation, as is necessary to implement and enforce the provisions of this title."

Section 5. 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: 5-22-95

Introduced by: 
Isaac V. Figir