A BILL FOR AN ACT

To further amend title 54 of the Code of the Federated States of Micronesia, (Annotated), as amended, by inserting a new section 806 under chapter 8 to give effect to the constitutional amendment on the sharing of fishing fees to the States, to define fishing fees, to clarify the distribution of fishing fees collected by the National Government to the State treasuries, and for other purposes.

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

Section 1. Title 54 of the Code of the Federated States of Micronesia (Annotated), as amended, is hereby further amended by inserting new section 806 under chapter 8 to read as follows:

"Section 806. Distribution of fishing fees.

Pursuant to Article IX Section 2(m) of the Constitution of the Federated States of Micronesia, fifty percent of revenue received from fishing fees shall be distributed to State treasuries. Distribution shall be effected within 10 business days following the close of each quarter.

(a) For the purpose of this section the term “fishing fee” refers to revenue collected by the Department of Finance and Administration from the sale by the National Oceanic Resource Management Authority (NORMA) of license to fish in the Exclusive Economic Zone, including the sale of fishing days under the Vessel Day Scheme, irrespective of the type of fishing vessel, manner of
payment of fees and the method of calculation used in determining the amount of fishing fees.”

(b) The fishing fee shall be distributed according to the following rules:

(1) 70% of the fishing fees shall be distributed according to the 2010 census until such time that a new census is completed. For this purpose, the Department of Resources and Development shall provide update of census of the Department of Finance and Administration every time a new census result is available; and

(2) 30% of the fishing fees shall be distributed equally among the States.

(c) The Secretary of Finance and Administration may issue appropriate regulation to implement this section.”

Section 2. 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: 1/8/24

Introduced by: /s/ Quincy Lawrence

Quincy Lawrence (by request)