A BILL FOR AN ACT

To propose an amendment to article IX, sections 2 and 3 of the Constitution of the Federated States of Micronesia to permit States to levy taxes, duties, and tariffs based on imports, and for other purposes.

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

Section 1. It is hereby proposed that article IX, section 2, of the Constitution of the Federated States of Micronesia be amended to read as follows:

"Section 2. The following powers are expressly delegated to Congress:

(a) to provide for the national defense;
(b) to ratify treaties;
(c) to regulate immigration, emigration, naturalization, and citizenship;
(d) to impose taxes on income;
(e) to issue and regulate currency;
(f) to regulate banking, foreign and interstate commerce, insurance, the issuance and use of commercial paper and securities, bankruptcy and insolvency, and patents and copyrights;
(g) to regulate navigation and shipping except within lagoons, lakes, and rivers;
(h) to establish usury limits on major loans;
(i) to provide for a national postal system;
(j) to acquire and govern new territory;
(k) to govern the area set aside as the national capital;
(l) to regulate the ownership, exploration, and
exploitation of natural resources within the marine space
of the Federated States of Micronesia beyond 12 miles from
island baselines;
(4p) to establish and regulate a national public
service system;
(4p) to impeach and remove the President, Vice-
President, and justices of the Supreme Court;
(4p) to define major crimes and prescribe
penalties, having due regard for local custom and
tradition; and
(4p) to override a Presidential veto by not less
than a 3/4 vote of all the state delegations, each delega-
tion casting one vote."

Section 2. It is hereby proposed that article IX, section 3, of
the Constitution of the Federated States of Micronesia be amended
to read as follows:

"Section 3. The following powers may be exercised con-
currently by Congress and the states:
(a) to appropriate public funds;
(b) to borrow money on the public credit;
(c) to promote education and health; and
(d) to establish systems of social security and
public welfare; and
(e) to impose taxes, duties, and tariffs on
imports."

2 of 3
Section 3. Upon this act becoming law, the proposed constitutional amendments set out in sections 1 and 2 of this act will become part of the Constitution after completion of procedures and ratification as required by Public Law No. 2-51, as amended by Public Law No. 2-58, and as codified in chapter 7 of title 1 of the Code of the Federated States of Micronesia.

Section 4. 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: 6/2/87  Introduced by: Peter M. Christian