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A BILL FOR AN ACT

To further amend title 32 of the Code of the Federated States of Micronesia, as amended by Public Laws Nos. 4-109 and 4-114, by amending section 203 for the purpose of changing the level of business interest which requires a foreign-investment permit, and for other purposes.

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

1 Section 1. Section 203 of title 32 of the Code of the Federated  
2 States of Micronesia is hereby amended to read as follows:

3 "Section 203. Business activities and interests for which  
4 permits required.

5 (1) A noncitizen may not engage in any business in the  
6 Federated States of Micronesia without first obtaining a  
7 foreign-investment permit.

8 (2) A noncitizen may not acquire an ownership interest,  
9 *other than a security interest in real or personal property*  
10 *for the purpose of securing a loan,* of fifty percent or  
11 greater in any business operating in the Federated States  
12 of Micronesia without first obtaining a foreign-investment  
13 permit.

14 (3) A noncitizen engaged in business in the Federated  
15 States of Micronesia on the effective date of this chapter  
16 under a permit issued under the Trust Territory Foreign  
17 Investors' Business Permit Act or under an agreement with the  
18 Trust Territory Government shall not continue to engage in  
19 business in the Federated States of Micronesia after the  
20 expiration of that permit or agreement without first  
21 obtaining a foreign-investment permit."

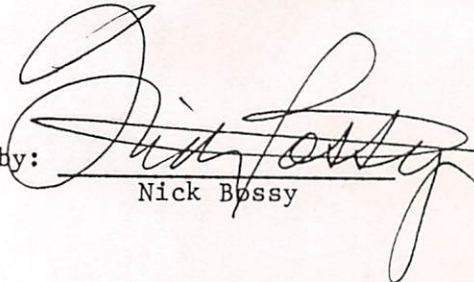
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C.B. No. 5-77

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

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5 Date: 7/14/87

Introduced by:   
Nick Bossy

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