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A BILL FOR AN ACT

To further amend title 24 of the Code of the Federated States of Micronesia, as amended, by amending sections 402, 507 and 510 and by further amending title 55 of the Code of the Federated States of Micronesia, as amended, for the purpose of establishing, and authorizing the deposit of certain funds in, the Special Fisheries Development Loan Fund and the Special Marine Surveillance Revolving Fund, and for other purposes.

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

1 Section 1. This act may be cited as the "Fishing Fees and Fines
2 Act of 1990."

3 Section 2. Section 402 of title 24 of the Code of the Federated
4 States of Micronesia, as amended by Public Law No. 6-11, is hereby
5 further amended to read as follows:

6 "Section 402. Fees for foreign fishing permits. Fees and
7 other forms of compensation for the right to exploit marine
8 resources within the exclusive economic zone by foreign
9 fishing vessels shall be established in foreign fishing
10 agreements entered into pursuant to sections 401, 404 and
11 405 of this title. One-half of such fees shall be
12 deposited in the General Fund of the Federated States of
13 Micronesia, and the other half shall be deposited in the
14 Special Fisheries Development Loan Fund."

15 Section 3. Section 507 of title 24 of the Code of the Federated
16 States of Micronesia, as amended by Public Law No. 6-11, is hereby
17 further amended to read as follows:

18 "Section 507. Forfeitures - Disposition of property. The
19 forfeited vessel, gear, furniture, appurtenances, stores,
20 cargo, and fish may be sold and the proceeds deposited ~~into~~
21 ~~the General Fund of the Federated States of Micronesia~~ and
22 distributed in accordance with section 510 of this title."

23 Section 4. Section 510 of title 24 of the Code of the Federated
24 States of Micronesia is hereby amended to read as follows:

25 "Section 510. Revenue from fines and forfeitures. All

1 fines and the proceeds of sale of all forfeitures collected
2 pursuant to the provisions of this title shall be deposited
3 into the General Fund of the Federated States of
4 Micronesia. Fifty percent of these revenues from fines and
5 forfeitures shall then be distributed to the State
6 affected. Twenty-five percent shall be deposited in the
7 Special Marine Surveillance Revolving Fund, and the
8 remaining twenty-five percent shall be available for
9 appropriation by the Congress."

10 Section 5. Title 55 of the Code of the Federated States of
11 Micronesia is hereby further amended by adding a subchapter VI of
12 chapter 6 entitled "Special Fisheries Development Loan Fund."

13 Section 6. Title 55 of the Code of the Federated States of
14 Micronesia is hereby further amended by adding a new section 630 of
15 subchapter VI of chapter 6 to read as follows:

16 "Section 630. Establishment. There is hereby created and
17 established the Special Fisheries Development Loan Fund,
18 referred to in this subchapter as the 'Fund,' separate from
19 the General Fund of the Federated States of Micronesia and
20 all other funds."

21 Section 7. Title 55 of the Code of the Federated States of
22 Micronesia is hereby further amended by adding a new section 631 of
23 subchapter VI of chapter 6 to read as follows:

24 "Section 631. Purpose. The purpose of the Fund is to
25 promote fisheries development in the Federated States of

1 Micronesia by making low-interest loans to FSM citizens,
2 FSM businesses, governmental agencies and FSM State public
3 corporations, for the purpose of funding fisheries
4 demonstration projects or commercially-feasible fisheries
5 projects."

6 Section 8. Title 55 of the Code of the Federated States of
7 Micronesia is hereby further amended by adding a new section 632 of
8 subchapter VI of chapter 6 to read as follows:

9 "Section 632. Deposits. All future appropriations for the
10 Fund, as well as revenues for the Fund received from
11 fishing fees collected pursuant to section 402 of title 24
12 of the Code of the Federated States of Micronesia, all
13 payments from loans made by the Fund, and any income of the
14 Fund, shall be deposited in the Fund. Any unexpended
15 moneys in the Fund shall not revert to the General Fund nor
16 lapse at the end of the fiscal year."

17 Section 9. Title 55 of the Code of the Federated States of
18 Micronesia is hereby further amended by adding a new section 633 of
19 subchapter VI of chapter 6 to read as follows:

20 "Section 633. Administration. The Fund shall be
21 administered by the President of the Federated States of
22 Micronesia Development Bank or his designee, who shall
23 establish regulations or procedures necessary for the
24 effectuation and implementation of the provisions of this
25 subchapter in the same manner as is provided in title 30 of

1 the Code of the Federated States of Micronesia. The
2 Financial Management Act shall not apply to loans made from
3 the Fund nor to the reasonable administrative expenses
4 incurred in connection with the Fund. The Federated States
5 of Micronesia Development Bank shall be entitled to receive
6 reasonable expenses, not to exceed ten percent of the
7 Fund's income from interest and investment, for
8 administering the Fund."

9 Section 10. Title 55 of the Code of the Federated States of
10 Micronesia is hereby further amended by adding a new section 634 of
11 subchapter VI of chapter 6 to read as follows:

12 "Section 634. Annual report. The President of the
13 Federated States of Micronesia Development Bank or his
14 designee shall report to the Congress of the Federated
15 States of Micronesia on the status of the Fund at the close
16 of each fiscal year. Such report shall include an audited
17 income statement and balance sheet."

18 Section 11. Title 55 of the Code of the Federated States of
19 Micronesia is hereby further amended by adding a new subchapter VII
20 of chapter 6 entitled "Special Marine Surveillance Revolving Fund."

21 Section 12. Title 55 of the Code of the Federated States of
22 Micronesia is hereby further amended by adding a new section 635 of
23 subchapter VII of chapter 6 to read as follows:

24 "Section 635. Establishment. There is hereby created and
25 established the Special Marine Surveillance Fund, referred

1 to in this subchapter as the 'Fund,' separate from the
2 General Fund of the Federated States of Micronesia and all
3 other funds."

4 Section 13. Title 55 of the Code of the Federated States of
5 Micronesia is hereby further amended by adding a new section 636 of
6 subchapter VII of chapter 6 to read as follows:

7 "Section 636. Purpose. The purpose of the Fund is to pay
8 for operational and maintenance costs associated with the
9 Marine Surveillance Program."

10 Section 14. Title 55 of the Code of the Federated States of
11 Micronesia is hereby further amended by adding a new section 637 of
12 subchapter VII of chapter 6 to read as follows:

13 "Section 637. Deposits. All future appropriations for the
14 Fund and all revenues for the Fund received from fines and
15 forfeitures under title 24 of the Code of the Federated
16 States of Micronesia shall be deposited in the Fund. Any
17 unexpended moneys in the Fund shall not revert to the
18 General Fund nor lapse at the end of the fiscal year."

19 Section 15. Title 55 of the Code of the Federated States of
20 Micronesia is hereby further amended by adding a new section 638 of
21 subchapter VII of chapter 6 to read as follows:

22 "Section 638. Administration. The Fund shall be
23 administered by the President of the Federated States of
24 Micronesia or his designee, who shall establish regulations
25 and procedures necessary and appropriate for the

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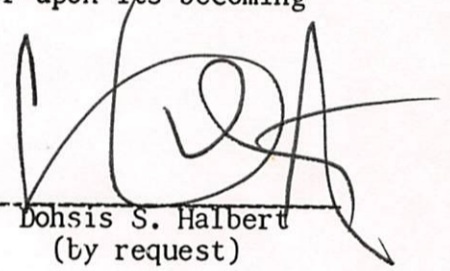
1 effectuation and implementation of this subchapter,
2 pursuant to chapter 1 of title 17 of the Code of the
3 Federated States of Micronesia."

4 Section 16. Title 55 of the Code of the Federated States of
5 Micronesia is hereby further amended by adding a new section 639 of
6 subchapter VII of chapter 6 to read as follows:

7 "Section 639. Annual report. The President or his
8 designee shall report to the Congress of the Federated
9 States of Micronesia on the status of the Fund at the close
10 of each fiscal year."

11 Section 17. This act shall become law upon approval by the
12 President of the Federated States of Micronesia or upon its becoming
13 law without such approval.

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15 Date: 5/28/90

16 Introduced by: 
Dohsis S. Halbert
(by request)

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