
AN ACT

To amend certain sections of Public Law No. 7-111, to authorize funds therefor for a five-year period commencing in fiscal year 1980 through 1984, and for other purposes.

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

1 Section 1. Section 1 of Public Law No. 7-111 is hereby amended to
2 read as follows:

3 "Section 1. State entities authorized. Each state government
4 is authorized to establish by law an entity to promote, develop,
5 and support commercial utilization of living marine resources
6 within its jurisdiction. The entity shall be composed of
7 representatives of state parties with a significant interest in
8 the development of living marine resources. The entity shall
9 be provided by law with the power and authority to carry out
10 the purpose stated above, which powers may include but need not
11 be limited to the following:

12 (1) to provide guidance to the state government in
13 establishing marine resources development policy;

14 (2) to make regulations concerning the exploitation of
15 living marine resources as permitted by law;

16 (3) to serve as a conduit for public funds to establish
17 and operate facilities required for commercial fisheries develop-
18 ment, to conduct pilot fishing operations and to participate in
19 large scale commercial fishing and related activities which
20 are not suitable for investment by the private sector;

21 (4) to establish and support programs to promote, support
22 and guide fishing cooperative associations;

1 (5) to formulate a comprehensive five-year marine
2 resources development plan to be submitted for review and
3 approval by the Congress as a condition precedent to a state
4 entity's eligibility for funds authorized under Section 4 of
5 this act."

6 Section 2. Section 2 of Public Law No. 7-111 is hereby amended to
7 read as follows:

8 "Section 2. Succession. Upon the establishment of a state
9 entity pursuant to this act the provisions of 45 T.T.C. Sections
10 151 to 161 shall cease to apply in that state and all assets,
11 liabilities and activities of the district fishing authority
12 created pursuant to those provisions shall be transferred to the
13 new state entity. The new entity shall submit to the state
14 legislature and to the Congress of the Federated States of Micro-
15 nesia, within 30 days of the transfer, a report describing the
16 assets and liabilities received from the fishing authority."

17 Section 3. Section 3 of Public Law No. 7-111 is hereby amended to
18 read as follows:

19 "Section 3. Funding. Funds for the operation and activities
20 of the state entity created pursuant to this act may be provided
21 by the Trust Territory Government, the Congress of the Federated
22 States of Micronesia, the state legislature, the net earnings
23 from its activities, and tax revenues generated from the sale of
24 supplies and provisions to foreign fishing vessels entering
25 ports within the state."

1 Section 4. Section 4 of Public Law No. 7-111 is hereby repealed in
2 its entirety and a new Section 4 is enacted to read as follows:

3 "Section 4. Authorization. The sum of \$200,000, or so much
4 thereof as may be necessary, is hereby authorized to be appro-
5 priated from the General Fund of the Congress of the Federated
6 States of Micronesia for each fiscal year commencing in 1980
7 through 1984 to be made available to state entities created
8 pursuant to Section 1 of this act. During the five-year period
9 of this authorization, any state entity whose marine resources
10 development plan has been approved pursuant to Section 1(5) of
11 this act shall be eligible for a sum not to exceed \$50,000
12 annually; PROVIDED, HOWEVER, that the state legislature concerned
13 shall first put up matching funds on a 1 to 5 basis; and
14 PROVIDED FURTHER, that no funds made available under this Section
15 shall be used to defray administrative expenses of the said state
16 entities."

17 Section 5. Section 5 of Public Law No. 7-111 is hereby amended to
18 read as follows:

19 "Section 5. Annual Report. Each state entity created pursuant
20 to this act shall prepare an annual report on its finances and
21 activities to be submitted to the state legislature and the
22 Congress of the Federated States of Micronesia within 20 days
23 of the completion of each calendar year."

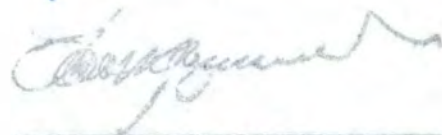
24 Section 6. Section 7 of Public Law No. 7-111 is hereby amended to
25 read as follows:

1 "Section 7. Succession in absence of entity. If no state entity
2 is created pursuant to this act prior to May 1, 1979 the Governor
3 of each state is authorized to preserve and protect the assets of
4 the former district fishing authority by appropriate administra-
5 tive and legal action until a state entity is created. If no
6 state entity is created prior to May 1, 1979 the loan fund
7 established by Section 7 of Public Law No. 5-21 is terminated,
8 and the Governor of each state is authorized to collect payments
9 on existing loans as they become due, or to take legal action to
10 collect on loans in default. The portions of the collections on
11 loans as were provided originally by the Congress of Micronesia,
12 plus interest, shall be paid to the General Fund of the Congress
13 of the Federated States of Micronesia."

14 Section 7. This act shall become law upon approval by the President
15 of the Federated States of Micronesia, or upon its becoming law without
16 such approval.

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July 5, 1979



Tosiwo Nakayama
President
Federated States of Micronesia