

AN ACT

To further amend title 19 of the Code of the Federated States of Micronesia, as amended, by amending section 302, as amended by Public Law No. 10-137, to eliminate the requirement that a vessel must begin and end the majority of its voyages in the Federated States of Micronesia in order to be registered in the Federated States of Micronesia, and for other purposes.

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

1 Section 1. Section 302 of title 19 of the Code of the
2 Federated States of Micronesia, as enacted by Public Law
3 No. 10-76 and amended by Public Law No. 10-137, is hereby
4 further amended to read as follows:

5 "Section 302. Qualifications for vessel
6 registration.

7 (1) For the purposes of this title, a Qualified
8 Person is:

9 (a) a person who is a citizen of the
10 Federated States of Micronesia, or a corporation
11 which is established in accordance with the laws of
12 the Federated States of Micronesia or any of its
13 States, wholly owned by citizens, whose principal
14 place of business is in the Federated States of
15 Micronesia;

16 (b) a person holding a current and valid
17 foreign investment permit duly issued by the

1 National Government to operate a vessel in
2 interstate or international commerce who or which
3 has its principal place of business in the
4 Federated States of Micronesia; or

5 (c) the National and State Governments of the
6 Federated States of Micronesia and their
7 instrumentalities.

8 (2) The Registrar shall require the production of
9 satisfactory documentary evidence demonstrating
10 that the owner is a Qualified Person and the vessel
11 meets the requirements for registration.

12 (3) Ownership of any share of a vessel by a
13 person who is not a Qualified Person shall
14 constitute cause for removal of the vessel from the
15 Register and forfeiture to the National Government.

16 (4) A vessel which has ceased to meet the
17 requirements for registration under this chapter
18 shall be struck off the Register.

19 (5) Any person who is not a Qualified Person who
20 purports to be a Qualified Person for the purpose
21 of registering a vessel under this title commits a
22 national offense punishable by a fine not exceeding
23 \$100,000 or imprisonment of not more than 1 year,
24 or both."

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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.

_____, 2006

OVERRIDE 11/9/06

Joseph J. Urusemal
President
Federated States of Micronesia

