

AN ACT

To establish a Chuuk State Public corporation to stimulate the development of the fisheries industry in the regional waters of Micronesia and the South Pacific, and for other purposes.

BE IT ENACTED BY THE CHUUK STATE LEGISLATURE:

1 Section 1. Purpose. The purpose of this Act is to create a public corporation to  
2 promote the development of pelagic fisheries and related industries for the economic  
3 benefit of the people of Chuuk State.

4 Section 2. Chuuk Public Fisheries Corporation established as a Public  
5 Corporation. There is established a public corporation to be known as the "Chuuk Public  
6 Fisheries Corporation," hereinafter "Corporation," subject to the laws of Chuuk State.

7 Section 3. Legal Capacity. The Corporation may engage in any commercial  
8 activity which will further the development of the fisheries industry in Chuuk State,  
9 including but not limited to the authority to:

10 (a) Establish, create, or enter into partnerships or other types of business  
11 ventures with any other person or entity;

12 (b) Assume the duties, obligations, debts, or other liabilities or benefits of  
13 any existing purse-seining or marine-related entity, provided that an  
14 entity agrees in writing;

15 (c) Incur indebtedness for the purposes of establishing improving, or  
16 maintaining purse-seining activities in which the Corporation or the  
17 State of Chuuk is involved;

18 (d) Acquire, in any lawful manner, real, personal, or mixed property,  
19 either tangible or intangible, and to exercise any and all rights incident  
20 to the ownership of such property;

21 (e) Distribute surplus revenues to its sole shareholder, the State of Chuuk;

22 (f) Adopt and amend bylaw governing the conduct of its business and the  
23 exercise of its powers;

24 (g) Sue and be sued in its corporate name;

- 1 (h) Adopt, alter, and use a corporate seal;
- 2 (i) Appoint such officers and agents as the Corporation may require, and
- 3 to act as an agent for any other person or entity;
- 4 (j) Hire, train, and terminate employees, and to promote the training of
- 5 Chuukese citizen in skills related to the fisheries industry;
- 6 (k) Conducts, its business, establish offices, and exercise the powers
- 7 granted herein in any State or Territory of the Federated States of
- 8 Micronesia or in any foreign country;
- 9 (l) Permit the Corporation to be registered or recognized in any State or
- 10 Territory of the federated States of Micronesia or in any foreign
- 11 country;
- 12 (m) Exercise other powers and duties as may be prescribed by law, or are
- 13 incidental, necessary and proper to accomplish the duties, functions
- 14 and purpose of the Corporation.

15 Section 4. Board of Directors. The administration and management of the

16 Corporation shall be controlled and its corporate powers exercise by a Board of Directors,

17 hereinafter called "the Board."

18 Section 5. Board of Directors; composition. The Board shall be composed of five

19 members:

- 20 a) One member representing the Chamber of Commerce, to be appointed
- 21 by the Governor of Chuuk State;
- 22 b) Two members, one appointed by the President of the Senate and one
- 23 appointed by the Speaker of the House of Representatives;
- 24 c) The Director of the Department of Marine Resources; and
- 25 d) The Director of the Department of Commerce and Industry.

26 Section 6. Board of Directors: Terms: Removal: Vacancies. Members appointed

27 under Section 5(a) and (b) shall serve on the Board during good behavior, or until such a

28 time that the appointing official is replaced by another elected official who wishes to

29 make his own appointment to the Board. Members appointed under Section 5(c) and (d)



1 shall serve on the Board during good behavior and for the duration of their appointments  
2 to their respective departments. Any Board member may be removed for cause by a two-  
3 thirds majority vote of its membership. Vacancies created by death, resignation,  
4 incapacitation, or removal shall be filled in the same manner as provided in Section 5 and  
5 for the duration of the term so filled.

6 Section 7. Board of Directors: Organization. Within 45 days after the initial  
7 Board members are appointed, the Board shall hold its first organizational meeting and  
8 shall elect from its members a Chairman, Vice-Chairman and Secretary/Treasurer. Until  
9 the Board has completed such elections, the oldest appointed member shall be the  
10 Chairman.

11 Section 8. Board of Directors: Meeting. Regular meetings of the Board shall be  
12 held at least once per calendar quarter, and at such other times as shall be determined by  
13 the bylaws, or by a majority of all the Board members. A special meeting may be called  
14 by a written petition of the majority of the Board members, pursuant to notice as shall be  
15 provided in the bylaws.

16 Section 9. Board of Directors: Meetings: Minutes. The Secretary-Treasurer or  
17 his designee, as may be provided in the bylaws, shall keep full and accurate minutes of all  
18 Board meetings. Meeting minutes shall be kept at the Corporation's headquarters and  
19 shall be made available for reasonable inspection upon request of any member of the  
20 public.

21 Section 10. Board of Directors: Quorum. Three members present in a meeting  
22 shall constitute a quorum for the transaction of business for the Board.

23 Section 11. Board of Directors: Compensation. Members of the Board who are  
24 employees or officials of the National, State or a Municipal Government shall receive no  
25 additional compensation for their services, but may instead receive an allowance of  
26 \$35.00 per meeting day. All other Board members shall receive \$75.00 compensation per  
27 meeting day, as well as the \$35.00 per day allowance. All members of the Board shall be  
28 entitled to travel and per diem expense while traveling on the business of the  
29 Corporation, at rates established by the Chuuk State Government.

1       Section 12. Employees of the Corporation.

2       a) The Corporation may employ a full-time Executive Director to manage the  
3             daily operation of the Corporation. The Executive Director shall be appointed  
4             by a majority vote of the entire membership of the Board. The compensation,  
5             terms and conditions of employment shall be determined by the Board. The  
6             Executive Director may be removed by a majority vote of the entire  
7             membership of the Board.

8       b) The Executive Directors may hire, subject to the approval of the majority of  
9             the Board, such support staff as he deems necessary and proper to effectuate  
10            the purpose of this Act. The employees of the Corporation shall be exempt  
11            from the provisions of the Chuuk State Public Service Act.

12       Section 13. Account and Records.

13       a) The Chairman of the Board, not later than thirty days after the close of each  
14             governmental fiscal quarter, shall submit to the Governor and to the  
15             Legislature of Chuuk State a report showing activities during the quarter, the  
16             present financial status and condition of the Corporation, and such other  
17             matters as the Board deems appropriate, or as requested by the Governor or  
18             the Legislature.

19       b) The Board shall appoint a certified public accountant to audit the financial  
20             records of the Corporation annually. A copy of the audit shall be transmitted  
21             to the Governor and to the Legislature within 14 days of its completion, but in  
22             no event later than sixty days following the close of the fiscal year.

23       Section 14. Budget Preparation. The Executive Director shall prepare in advance  
24             of each fiscal year an annual budget for the Corporation, taking into consideration-  
25             anticipated capital, anticipated revenue, and operational expenditures. The budget shall  
26             be met with anticipated revenues of the Corporation, and shall detail those requirements,  
27             which cannot be met without an increase in the rate of revenue or outside financial  
28             assistance. After approval of the prepared budget by the Board, the Executive Director  
29             shall submit the budget to the Governor of Chuuk State and to the Senate President and



1 Speaker of the House of Representatives of the Chuuk State legislature on or before  
2 August 15 of each year.

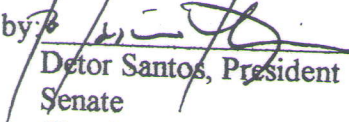
3 Section 15. Fiscal Year. The Corporation shall use the same fiscal year as that  
4 used by the State of Chuuk.

5 Section 16. Corporate Debts and Obligations. Unless otherwise expressly  
6 provided by law, neither the Chuuk State Government nor any of its assets, including but  
7 not limited to: real property and/or improvements thereon, personal property, intangible  
8 property, and cash assets, shall be liable or in any manner responsible for any debts  
9 incurred by or obligations imposed upon the Corporation.

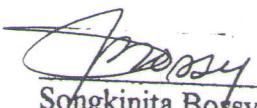
10 Section 17. Disposal of Net Profits. The Corporation shall deposit into the  
11 General Fund of the Chuuk State Treasury no less than 50% of the net profit generated  
12 each fiscal year of its operation, provided further that any revenue generated by the  
13 business of the Corporation shall be considered revenue of the State of Chuuk.

14 Section 18. Tax Liability. The Corporation exists and operates solely for the  
15 benefit of the public and shall be exempt from any State or Municipal taxes or  
16 assessments on any of its property, operations, or activities. Such a tax-exempt status  
17 shall not be applicable in those situations where the Corporation associates itself with a  
18 joint venture or other type of partnership with a foreign corporation, partnership or  
19 person. Nothing herein shall be deemed to exempt employees and independent  
20 contractors of the Corporation from tax liability for services rendered to the Corporation.

21 Section 19. Effective Date. This Act shall become law upon approval by the  
22 Governor, or upon its becoming law without such approval.

Signed by:   
Detor Santos, President  
Senate  
Chuuk State Legislature

Attested:

  
Songkinita Bossy, Chief Clerk  
Senate  
Chuuk State Legislature

Date: 02-24-00

Signed by:

Bonciang  
Bonciang (Fasy) Nethon, Speaker  
House of Representatives  
Chuuk State Legislature

Attested:

Herter Sorim  
Herter Sorim, Chief Clerk  
House of Representatives  
Chuuk State Legislature

Date:

02/24/00

Approved by:

Walter  
Ansito Walter, Governor  
Chuuk State Government

Date:

March 1, 2000

---

History	: S.B.No: 5-37
	: S.C.R.No: None
	: H.C.R.No: None
Adopted	: February 16, 2000

---

**EW NAMOPWUNG**

A forata ew Chuuk State public corporation fan itan epwe mesemes on fefeitan angangen attawen non settin Micronesia me South Pacific, me pwan ren ekkoch popun.

**EPWE PWUUNG MEREN ENEPWUNGUN MUN CHUUK:**

1           Tetten 1. Popun. Popun ei annuk an epwe forata ew public corporation an epwe  
2 wisen mesemes on afefeitan angangen sakopatin angangen attaw minne epwe or namotan  
3 ngeni aramasen Chuuk State.

4           Tetten 2. Chuuk Public Fisheries Corporation iei a forita an epwe ew angangen  
5 business. Iei a forita ew public corporation epwe iteni "Chuuk Public Fisheries  
6 Corporation," ewe epwe fat me non ei annuk pwe "Corporation," me pwan fan pwungun  
7 annukun Chuuk State.

8           Tetten 3. Wisan non Annuk. Ei Corporation epwe tongeni fori sakopatin  
9 angangen business ewe epwe awateino pekin angangen attaw non Chuuk State,  
10 pachenong nge esap pwan aukukuk ngeni:

11           (a) Forata, awora, ika tonong non angangen chiechifengen non sakopatin  
12 angangen sopai ngeni emon aramas ika pwan ew angangen soppai;

13           (b) Epwene wisen eani me mesemes on unusen niwinimang ika fen tufich  
14 minne a fen or ren angangen attaw ren purse-seining ika kewe  
15 sakopatin angangen tufich seni non mattaw ika saat, ika pwe epwe or  
16 atipe-ew nefiner me menni we angang non taropwe ;

17           (c) Epwe tongeni niwinimang fan iten an epwe amurunonoi  
18 ika souwani angangen purse-seining minne ewe Corporation ika  
19 Chuuk State mei tonong non angangan;

20           (d) Angei non pwungun annuk, sakopatin pisek fan iten pwonuetan  
21 me faetanochun ewe angang;

22           (e) Awora met somonon mwooni ngeni emonewe an ei angang, ewe  
23 Chuuk State;

24



- 1 (f) Apwungano me ekesiwini bylaws fan iten mwokutukutun ewe  
 2 business fan itan eaea pwungun met annukun ei angang;
- 3 (g) Ewe corporation epwe wisen eani sekiningin angangen kapwung mi  
 4 weneiti;
- 5 (h) Apwungano me ekesiwini esisinen ewe corporation;
- 6 (i) Finata sakopatin nouwisin ewe angang me chon anganen ewe  
 7 Corporation minne a mefi pwe mi auchea ar repwe wisen angang fan  
 8 itan;
- 9 (j) Atononga, eiti me atou chon angang, me apochokuna kaeon angang  
 10 ngeni chon Chuuk non sakopatin pekin angangen attaw;
- 11 (k) Fori an angang, aworatta nenien angang ren office, me annomu me  
 12 eaea ekewe pochokun a kawor ngeni me non ei annuk me pochokun  
 13 mi kawor non kinikinin Federated States of Micronesia ika non mun  
 14 nukun;
- 15 (l) Mutata an ewe Corporation epwe register ika sinenno non ese nifinifin  
 16 State ika kinikinin nemenian Federated States of Micronesia tori  
 17 fonuen nukun;
- 18 (m) Epwe pwan annomu me eaea ekewe pochokun mei affat me non  
 19 annuk, ika ekewe minne mi namot me pwung fan itan epwe tongeni  
 20 ponueta wisan me auchean popun angangen ei Corporation;

21 Tetten 4. Board of Directors. Pochokunen tumunun angangen ewe Corporation  
 22 epwe or tumunun seni ewe Board of Directors, ewe epwe iteni "ewe Board" seni iei me  
 23 non ei annuk.

24 Tettem 5. Achochon ewe Board of Directors. Ewe board epwe ukukun nimmon  
 25 chon:

- 26 (a) Emon epwe tupuni ewe Chamber of Commerce, epwe kefinita seni  
 27 ewe Governor non Chuuk State;
- 28 (b) Ruomon, emon epwe kefinita meren ewe Senate President nge emon  
 29 epwe kefinita seni ewe Speaker non ewe House of Representatives;
- 30 (c) Ewe Director non ewe Department of Marine Resources; me



1 (d) Ewe Director non ewe Departmen of Commerce & Industry.

2 Tette 6. Board of Directors; Fansoun Wiis; Katoun; Ponunon Wiis. Monun ei  
3 board mi affat Kefinitar me non Tette 5(a) me (b) repwe choni ei board fansoun ar  
4 foffor-och, ika tori fansoun ewe nouwis a finireta a kesiwin me or chon siwini, ren an  
5 ewe murin, a esinei ngeni ewe board tipan. Chon ewe board a affat kefinitar non Tette  
6 5(c) me (d) repwe wiis non fansoun ar fofor-och non ewe fansoun ra kefinita ar repwe  
7 meinapeni ekewe departments. Chon ewe Board repwe tongeni tou seni wiiser fansoun a  
8 or popun seni ruu-na-unungat pwungun uttut an unusen ewe board. Ponunon wiis seni  
9 manno, pusin tou seni wiis, nipwakingaw, ika tou seni wiis seni pwungun uttut, epwe  
10 amasou usun chok ewe napanap a affat non Tette 5 me nangataman an ewe wiis amasou.

11 Tette 7. Board of Directors; Organization. Non 45 ran me murin an monun ewe  
12 board ra kefinita, ewe Board epwe efisi ewin an mwich fan iten an epwe finata emon  
13 Chairman, Vice-Chairman, me Secretary/Treasure seni monun mwich. Tori an epwe  
14 wesilo kefilitan ekewe nouwiis, ewe a kon wateno ierin me neir epwe wisan Chairman.

15 Tette 8. Board of Director; Mwiich. An ewe Board mwich epwe fan ew non ew  
16 calendar quarter, me menni fansoun a affat me non noun bylaws, ika seni tipan majority-  
17 in monun ewe Board. Special Meeting epwe akokko non taropw, epwe petitioned seni  
18 majority-in chon ewe Board, fiti pwungun bylaws.

19 Tette 9. Board of Directors; Mwiich; Minutes. Ewe Secretary/Treasury ika io a  
20 finata, epwe affat me non ewe bylaws, epwe wisen awora enletin pwungun porousen  
21 meinisin an ewe Board mwiich. Taropwen porousan mwiich (minutes) epwe isois non  
22 ewe office-nap an ewe Corporation fengen me an epwe tongeni kawor fansoun a auchea  
23 an epwe or chon nengeni ika checki, member ika public.

24 Tette 10. Board of Directors; Quorum. Unumon monun mwiich repwe nom a  
25 tongeni pochokun angangen ewe Board an epwe efisi an mwiich.

26 Tette 11. Board of Directors; Compensation. Monun ewe Board ir chon  
27 angangen ika nouwisin ewe National, State, ika ew Municipal Government esap pwan or  
28 niwinin epwe angei, nge epwe angei an allowance ren ukukun \$35.00 non ew ranin  
29 mwiich. Ekewe nussun chon ewe Board epwe ukukun \$75.00 niwinin emon non ew ranin  
30

1 mwich. Meinsin chon ewe Board fansoun repwe sai fan akunoen angangen ewe Board  
2 repwe angei aninisir ren mwoonien sai (per diem), on ewe aukukun Chuuk State  
3 Government mei eaea ren sai.

4 Tetten 12. Chon angangen ewe Corporation.

5 (a) Ewe Corporation epwe nouni emon full-time Executive Director an epwe  
6 wisen tumunu mwokutukutun angangen ewe Corporation iteitani ran. Ewe  
7 Executive Director epwe kefinita seni majority-in unusen chochon ewe Board.  
8 niwinin chon angang, nangatamen fansoun angang, me napanapen angang  
9 epwe kawor seni ewe Board. Ewe Executive Director epwe tongeni tou seni  
10 wisan seni majority-in uttut seni unusen monun ewe Board.

11 (b) Ewe Executive Director epwe wisen atononga, fiti tipe-ewin majority-in ewe  
12 Board ekewe chon anganga ekewe angang mei auchea ngeni ponuetan met a  
13 affat me non ei annuk. Chon angang ngeni ei Corporation resap nom fan  
14 pwungun ewe Chuuk State Public Service Act.

15 Tetten 13. Account me Records.

16 (a) Ewe Chairman on ewe Board, esap mang seni 30 ran murin sopwonon an  
17 government kewe Fiscal year quarter, epwe awora ngeni ewe Governor me  
18 ewe Chuuk State Legislature an report epwe affata mwokutukutun ewe  
19 angang, porousan nonnomun mwooni me met sakkun porous mei auchea  
20 ngeni nonnomun ewe Corporation, fengen me met ewe Board a mefi pwe mei  
21 auchea, ika met ewe Governor ika ewe Legislature a mochen.

22 (b) Ewe Board epwe finata emon chon checki buken mwooni an epwe checki  
23 nonnomun taropwen mwoonien ewe Corporation iteitani ier. Copy-in taropwen  
24 ei angangen check epwe kawor ngeni ewe Governor me ewe Legislature non  
25 14 ran murin wessin ewe angangen check; nge esap chok mang seni 60 ran  
26 murin ewe fiscal year.

27 Tetten 14. Forrin Taropwen Mwooni. Ewe Executive Director epwe awora me  
28 mwan an ew fiscal year epwe poputa fan iten ewe Corporation, anongonong won  
29 mwoonien capital, aukukun mwooni tonong, me ukukun mwooni epwe nounou fan iten  
30 mwokutun angangen ewe Corporation. Ei budget epwe affata mwoonien operation,



1 mwooni epwe nounou fan iten kamon pisek me tumunun pisekin ewe Corporation ewe  
2 epwe anongonong won esap nap seni mwooni tonong ngeni ewe Corporation, fengen me  
3 epwe affata met mei auchea nge esap naff mwoonian tiwenon chok ika pwe epwe  
4 wattenno mwooni tonong ngeni ewe Corporation, pachenong aninnis seni nukun. Murin an  
5 epwe kopunguno meren ewe Board, ewe Executive Director epwe atoura ewe budget  
6 ngeni ewe Governor non Chuuk State me ewe Senate President me Speaker non ewe  
7 House of Representatives non Chuuk State Legislature non ika mwan August 15 iteitan  
8 ier.

9 Tetten 15. Fiscal Year. Ewe Corporation epwe wewe chok an fiscal year me ewe  
10 Chuuk State.

11 Tetten 16. Niwinimang & Setkinig. Tiwenon chok ika pwe epwe fen affat me  
12 non annuk, Esap or niwinimang ika sekining ren niwinimangen mwooni ika pisek epwe  
13 fisita seni angangen ewe Corporation epwe fis pwe an Mun Chuuk State niwinimang.

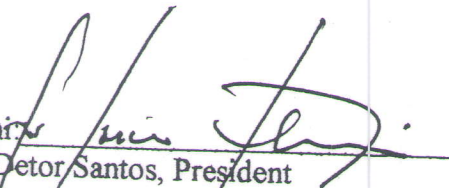
14 Tetten 17. Katoun Winen ewe Angang. Ewe Corporation epwe deposit non ewe  
15 General Fund an ewe Mun Chuuk State esap kis seni 50% ewe net profit mei wor ngeni  
16 ewe Corporation iteitan soponon ierin an angang, fengen me meinisin mwooni tonong  
17 ngeni ei Corporation epwe fis pwe ew an ewe Mun Chuuk State mwooni tonong.

18 Tetten 18. Kepichinon Taxes. Ewe Corporation a forita me amwokut fan iten  
19 tufichin aramasen Chuuk fengen me epwe kepichino seni sakopatin taxes seni ewe State  
20 ika Municipality on mwokutukutun an angang, pisekin me mwooni tonong. Nge ei  
21 kepichinon taxes esap weneiti angangen ei Corporation fansoun a wor ar angang fengen  
22 me ew company-en nukun. Esap or porousen non ei annuk epwe epichano emon seni an  
23 epwe monni taxes ren an angang ngeni ei Corporation

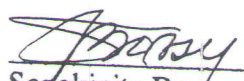
24 Tetten 19. Poputan Pochokunan. Ei Nomwopung epwe poputa manamanan  
25 fansoun chok a kopunguno meren ewe Govrnor, ika fansoun chok a winiti annuk won  
26 winikapan.

NAMOPWUNG NO: 5-19

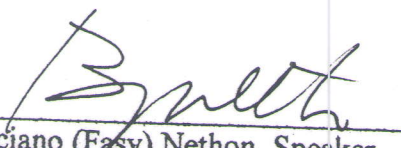
- 1 Tetten 19. Poputan Manamanan. Ei nomopwung epwe winiti annuk fansoun a
- 2 kopwunguno meren ewe Governor, ika fansoun chok a pwisin winiti annuk won
- 3 winikapan.

Sain seni:   
 Detor Santos, President  
 Senate  
 Aneepwungun Chuuk

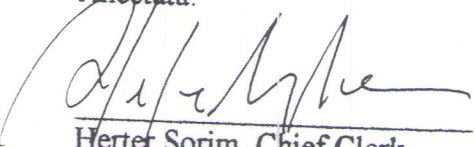
Aneetata:

  
 Songkinita Bosy, Chief Clerk  
 Senate  
 Aneepwungun Chuuk


Pwinin maram: 02-24-00

Sain seni:   
 Bonciano (Fasy) Nethon, Speaker  
 Utten Representatives  
 Aneepwungun Chuuk

Aneetata:

  
 Hertter Sorim, Chief Clerk  
 Utten Representatives  
 Aneepwungun Chuuk

Pwinin maram: 02/24/00

A Kapunguno seni:   
 Ansito Walter, Governor  
 Muun Chuuk

Pwinin maram: March 1, 2000

---

Uruo : S.B.No: 5-37  
 : S.C.R.No: Ese wor  
 : H.C.R.No: Ese wor  
 A Ketiw : February 16, 2000