November 19, 2014

The Honorable Gibson T. Siba
Speaker
Tenth Kosrae State Legislature
Tofol, Kosrae FM 96944

Dear Mr. Speaker:

Kulo nu sin God ke moul lasr. Paing kom a members ke Sroasr Masap kewa.

Wangin pa pusra yok lasr nuke sripa yok lun L.B. No. 10-165, L.D. 4, Oinge nga fulela lusen len 30 la in eis comments nuka, panang oru el putatyang nuke pusren masap su oral a Kosrae State Law No. 10-149.

" TO FURTHER AMEND TITLE 7 OF THE Kosrae STATE CODE, BY AMENDING SECTION 7.102 THEREOF AND CREATING A NEW CHAPTER 17 TO ESTABLISH THE PRICE CONTROL COMMISSION; AND FOR OTHER PURPOSES. "

Certified copy ke Masap se inge pa attached nuke letter luk.

Kulo ma lulan.

Lyndon H. Jackson
Governor

/mct
October 14, 2014

The Honorable Lyndon H. Jackson
Governor
State of Kosrae
Kosrae, FM 96944

Dear Governor Jackson:

I have the honor to transmit herewith for your consideration and action L. B. NO. 10-165, L.D. 4, TO FURTHER AMEND TITLE 7 OF THE KOSRAE STATE CODE, BY AMENDING SECTION 7.102 THEREOF AND CREATING A NEW CHAPTER 17 TO ESTABLISH THE PRICE CONTROL COMMISSION; AND FOR OTHER PURPOSES.; which passed the Legislature, Eighteenth Special Session, by two-thirds of the members of the Legislature, a quorum being present.

Respectfully yours,

[Signature]

Yosie K. Elley
Chief Clerk
Tenth Kosrae State Legislature

Enclosures
LEGISLATIVE BILL NO. 10-165, L.D. 4

TENTH KOSRAE STATE LEGISLATURE
EIGHTEENTH SPECIAL SESSION
KOSRAE, FSM 96944

A BILL FOR AN ACT

TO FURTHER AMEND TITLE 7 OF THE KOSRAE STATE CODE, BY AMENDING SECTION 7.102 THEREOF AND CREATING A NEW CHAPTER 17 TO ESTABLISH THE PRICE CONTROL COMMISSION; AND FOR OTHER PURPOSES.

INTRODUCED Senator Reedson P. Abraham

DATE: August 28, 2013

ACTION BY THE LEGISLATURE

PASSED FIRST READING: March 11, 2014

REFERRING TO: Committee on J&GO
SCR. No. 10-260 – A – 2/11/14

PASSED SECOND READING: October 3, 2014

Tosie K. Ekley
Chief Clerk
KOSRAE STATE LEGISLATURE
We hereby certify that the foregoing Bill has passed Second and Final Readings in the Legislature, Eighteenth Special Session, 2014, by two-thirds of the members of the Tenth Kosrae State Legislature, a quorum being present.
A BILL FOR AN ACT

To further amend Title 7 of the Kosrae State Code, by amending Section 7.102 thereof and creating a new Chapter 17 to establish the Price Control Commission; and for other purposes.

BE IT ENACTED BY THE KOSRAE STATE LEGISLATURE

Section 1. Section 7.102 of Title 7 of the Kosrae State Code, as amended by State Law Nos. 4-117, 5-56, 5-68, 6-1, 6-158, 7-1, 7-62, 7-91, 8-118, 9-52 and 9-53, is hereby amended to read as follows:

“Section 7.102. Agencies; enumeration. The agencies are:

(1) The Broadcast Authority
(2) The Election Commission
(3) The Kosrae Island Resource Management Authority
(4) The Port Authority
(5) The Parole Board
(6) The Sports Council
(7) The Scholarship Board
(8) The Utility Authority
(9) The Visitors Bureau
(10) The Education Advisory Board
(11) Health Advisory Board
(12) Price Control Commission”
Section 2. Title 7 of the Kosrae State Code is hereby amended to include a new Chapter 17 to read as follows:

"Chapter 17. Price Control Commission

Section 7.1701. Purpose. Whereas the people of Kosrae rely heavily on imported goods, such as food, fuel, building materials, and others to supplement daily living, and whereas the price charged to the ultimate consumer for imported goods often rises, especially in time of shortage thereby exploiting the public. Now therefore, this new Chapter is created to establish the Price Control Commission to protect the people of Kosrae from price exploitation.

Section 7.1702. Definitions. The following definitions shall apply in this chapter, unless the context clearly requires otherwise:

(1) "Commission" means Price Control Commission.

(2) "Cost" means the actual cost paid or promised by the seller for the item itself, exclusive of charges for shipping, handling, interest, warehousing, overhead, rent, salaries, damage, and loss.

(3) "Item" means any good, personal property or tangible thing brought into Kosrae from outside the state.

(4) "Price" means the total amount of money or other valuable consideration exclusive of sale tax paid or promised by the buyer to the seller.

(5) "Sale" means any transfer for money or other valuable consideration in the regular course of business, whether wholesale or retail.
Section 7.1703. Presumptions. The following presumptions shall apply to the interpretation and enforcement of this chapter:

(1) Origin of Items. It is presumed that any item sold in Kosrae is imported until the contrary is proven. The burden of proving that an item is not imported shall be upon the seller.

(2) Place of sale. It is presumed that any sale of an imported item that is arranged or consummated through or with the assistance of an agent in Kosrae is a sale within Kosrae unless the contrary is proven. The burden of proving a sale outside of Kosrae shall be upon the seller or his Kosrae agent.

Section 7.1704. Price Control Commission.

(1) There is hereby established a Price Control Commission in Kosrae to be composed of five members appointed by the Governor with the advice and consent of the Legislature. The members appointed shall be citizens residing in Kosrae State. The membership of the Commission shall not include more than one person having a controlling ownership or a managerial interest in one or more businesses in Kosrae. The Director for the Department of Resources and Economic Affairs shall be an ex-officio member of the Commission, without the right to vote.

(2) The term of office of the appointed members of the Commission shall be two years. Appointments to fill vacancies shall be for the remainder of the unexpired term.

(3) At the first meeting and annually thereafter the Commission shall elect a
Chairman from among its appointed members. Meetings shall be held not less than every 60 days and may be called by the Chairman, three of the appointed members, or the Governor. A quorum of the Commission shall be four appointed members, and the assent of three members present and voting shall be required for all decisions requiring a vote. With prior approval from the Governor, the Commission shall adopt regulation and by-laws for its own governance.

(4) Members of the Commission shall be compensated at rates established by the law when actually attending meetings of the Commission; PROVIDED, that those members who are government employees shall receive their regular salaries while performing functions of the Commission. The Department of Resources and Economic Affairs shall offer technical assistance to the Commission and provide records within its possession as requested by the Commission. The Attorney General shall serve as counsel for the Commission. The Department of Resources and Economic Affairs shall serve as secretariat for the Commission.

Section 7.1705. Duties and Functions of the Board. The Board's duties and functions shall:

(1) Inspection and examination of the cost of items to seller and the price to buyers in Kosrae;

(2) Reports to Chief of Police or the Attorney General Office of non-compliance;

(3) Maintain records and files of the cost of items imported into the state and advise the public of the maximum price chargeable by sellers of items;
(4) Develop information concerning the pricing practices of sellers in Kosrae;

(5) Consult with and advice merchants and sellers of imported items concerning this chapter and its implementation;

(6) Promulgate regulations, subject to the approval of the Governor, for the implementation and enforcement of this chapter; and

(7) Ensure compliance of all sellers of imported items in the state with this chapter and all rules and regulations issued pursuant hereto.

Section 3. Effective Date. This act shall become law upon approval by the Governor or upon its becoming law without such approval.

PASSED BY THE TENTH KOSRAE STATE LEGISLATURE ON THE 3RD DAY OF OCTOBER, 2014.

Gibson T. Siba  
Speaker, Tenth Kosrae State Legislature

Attested by:  
Chief Clerk
Lyndon H. Jackson  
Governor, State of Kosrae

Date: ____________________