

STANDING COMMITTEE REPORT NO. 13-228

RE: C.B. NO. 13-196/R&D

SUBJECT: FISHING PERMIT FEE EXEMPTIONS

JANUARY 26, 2005

The Honorable Peter M. Christian
Speaker, Thirteenth Congress
Federated States of Micronesia
Fifth Regular Session, 2005

Dear Mr. Speaker:

Your Committee on Resources and Development ("R&D"), to which was referred C.B. No. 13-196 entitled:

"A BILL FOR AN ACT TO FURTHER AMEND TITLE 24 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA, AS AMENDED, BY FURTHER AMENDING SECTION 113 TO ENABLE EXEMPTION FROM PERMIT FEES IN CERTAIN CIRCUMSTANCES, AND FOR OTHER PURPOSES.",

begs leave to report as follows:

The intent and purpose of the bill are expressed in its title.

Your Committee is concerned that there is not sufficient incentive for fishing vessels operating under fishing permits issued by NORMA to assist other vessels at sea. In particular, the potentially significant financial impact of ceasing fishing activities in order to help a vessel in distress may, in some instances, act as a disincentive to offer assistance. Your Committee considers that it is in the interests of public safety to introduce some form of incentive.

The subject bill would amend section 113 of title 24 such that it would encourage fishing vessels to give assistance to vessels in distress at sea. The amendment would require the Executive Director of NORMA to waive one year's permit fees for any vessel that holds a valid permit under the title and assists a boat lost at sea by safely delivering it safely to the nearest port.

The proposal would provide incentives to the majority of vessels in the FSM exclusive economic zone, as the majority of vessels are fishing vessels.

In its current form, the bill would require the owner of the vessel seeking the waiver of its permit fees to provide all relevant

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information to the Executive Director of NORMA, who would then be obliged to make a determination on the question.

This mechanism will avoid an undue increase in the administrative burden on NORMA in implementing the proposal. It also avoids the need for reliance on bodies such as state maritime authorities or port authorities that operate outside of the control of the national government. NORMA has been consulted in relation to this proposal and is satisfied that it has the capacity to implement the proposal.

Your Committee notes that maritime safety is subject to regulation at state, national and international levels. In order to avoid conflicting laws on this issue, a vessel shall not be eligible for a waiver of permit fees, if it acts contrary to any law.

In the view of the Committee this bill would significantly enhance maritime safety within the FSM.

Thus, your Committee on Resources and Development is in accord with the intent and purpose of C.B. No. 13-196 and recommends its passage on First Reading, and that it be placed on the Calendar for Second and Final Reading.

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Respectfully submitted,

/s/ Alik L. Alik
Alik L. Alik, chairman

/s/ Dion G. Neth
Dion G. Neth, vice chairman

Tiwiter Aritos, member

Sabino Asor, member

/s/ Ramon Peyal
Ramon Peyal, member

/s/ Resio S. Moses
Resio S. Moses, member

/s/ Moses A. Nelson
Moses A. Nelson, member