
A BILL FOR AN ACT

To further amend title 20 of the Code of the Federated States of Micronesia, as amended, by amending sections 1208, 1209, 1210 and 1211 thereof relating to the appointment and composition of the Board of Directors of the Federated States of Micronesia Airline Corporation, establishing term limits for appointive Board members, and for other purposes.

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

1 Section 1. Section 1208 of title 20 of the Code of the
2 Federated States of Micronesia is hereby amended to read as
3 follows:

4 "Section 1208. Board of Directorst- Composition.

5 (1) The Board shall be composed of five members. All
6 [Five] members shall be appointed by the President of
7 the Federated States of Micronesia with the advice and
8 consent of the Congress. One member of the Board shall
9 be a representative of the National Government, and
10 there shall be one member representing each of the
11 States. The appointment of any State representative on
12 the Board shall be upon the recommendation to the
13 President by the Governor of the pertinent State.
14 Appointments shall be made so that at all times,
15 beginning no later than July 1, 2009, the Board includes
16 at least one member with knowledge of financial matters
17 by virtue of having training or work experience as an
18 accountant, business financial manager, banker or

1 regulator. In making all appointments, preference shall
2 be given to persons with experience or training relating
3 to aviation, transportation, business management,
4 accounting or finance; however, each member shall have
5 at least a Bachelors Degree from an accredited college
6 or university. The chief executive officer of the
7 Corporation shall serve as an ex officio member of the
8 Board but shall have no right to vote."

9 Section 2. Section 1209 of title 21 of the Code of the
10 Federated States of Micronesia is hereby amended to read as
11 follows:

12 "Section 1209. Board of Directors - Organizational
13 meeting.

14 (1) Within 60 days of the confirmation of all members
15 of the Board, as set forth in section 1208 of this
16 chapter, and annually thereafter on such dates as are
17 set by the Board, the Board shall meet to select its
18 officers and to conduct such other business as it shall
19 deem advisable.

20 (2) At the first such meeting, the appointed members
21 of the Board shall determine by lot of the length of
22 their initial terms, with [~~two~~] one member[~~s~~] serving an
23 initial term[~~s~~] of one year, two serving initial terms
24 of two years, and two serving initial terms of three
25 years."

1 Section 3. Section 1210 of title 20 of the Code of the
2 Federated States of Micronesia is hereby amended to read as
3 follows:

4 "Section 1210. Board of Directors - Terms of Office and
5 Term Limits.

6 (1) Terms of office shall be for a period of three
7 years, except that the initial terms of office and the
8 filling of vacancies shall be as provided by this
9 chapter. The terms of office shall commence on the date
10 of [~~the organizational meeting of the Board~~] of approval
11 of the appointment by Congress. However, the rights and
12 powers of a member whose term has expired shall remain
13 in effect until the first meeting of the Board following
14 the appointment of that member's successor; except that
15 no member shall remain in office in this manner for
16 longer than six months after the end of his or her term.

17 (2) No person shall be appointed for more than two
18 full consecutive terms as a member of the Board
19 following his or her initial appointment after the
20 effective date of this act."

21 Section 4. Section 1211 of title 20 of the Code of the
22 Federated States of Micronesia is hereby amended to read as
23 follows:

24 Section 1211. Board of Directors - Vacancies.

25 (1) Each vacancy on the Board shall be filled for the

1 unexpired portion of the term in the same manner as
2 originally filled. Upon determination that a vacancy
3 exists, the chairman or, in his absence, the presiding
4 officer of the Board shall issue a notice of vacancy to
5 all members of the Board and the parties responsible for
6 filling the vacancy.

7 (2) ~~[Any vacancy occasioned by failure to make a
8 nomination to the Congress or a State legislature prior
9 to the expiration of the previous term, or by failure to
10 submit a nomination within 60 days of receipt of notice
11 that a vacancy exists, or within ten days of receipt of
12 notice of rejection of a nomination, shall be filled by
13 nomination of the Speaker of the Congress or the Speaker
14 of the State legislature, subject to advice and consent
15 of the Congress or the legislature or an authorized
16 committee thereof. †The nomination of the President or
17 the Governor shall be entitled to consideration if such
18 nomination is made prior to that of the Speaker.] The
19 chairman or, in his absence, the presiding officer of
20 the Board shall notify the President and the Governor of
21 the state represented, if applicable, of an impending
22 vacancy on the Board not less than ninety (90) days
23 prior to the expiration of the term of a member or
24 immediately upon removal, resignation or death."~~

25 Section 5. This act shall become law upon approval by the

1 President of the Federated States of Micronesia or upon its
2 becoming law without such approval.

3

4 Date: 7/9/08

Introduced by: /s/ Dion G. Neth

Dion G. Neth

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24