
A BILL FOR AN ACT

To further amend title 30 of the Code of the Federated States of Micronesia, as amended, by amending section 304 thereof to include post secondary institutions as qualified recipients of financing from the Investment Development Fund, and for other purposes.

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

1 Section 1. Section 304 of title 30 of the Code of the
2 Federated States of Micronesia is hereby amended to read as
3 follows:

4 "Section 304. Purposes and Guidelines.

5 (1) Investment Development Fund moneys shall be used
6 only:

7 (a) To finance projects which will:

8 (i) Have their operations located primarily
9 within the Federated States of Micronesia;

10 (ii) Improve the balance of payments position
11 of the Federated States of Micronesia;

12 (iii) Increase the value of visible and
13 invisible exports or result in import substitution;

14 (iv) Demonstrably result in positive economic
15 return; and

16 (v) Contribute to the furtherance of close
17 economic and commercial relations between the United
18 States of America and the Federated States of
19 Micronesia, encourage the productive presence of
20 citizens and commercial enterprises of the United States

1 in the Federated States of Micronesia or otherwise
2 compensate the Federated States of Micronesia for the
3 loss of the tax and trade incentives affected by Title
4 IV of United States Public Law 99-239 as provided for in
5 the Investment Development Fund Agreement and as further
6 defined by the Federated Development Authority;

7 (b) To finance projects which will provide direct
8 services to projects identified in paragraph (a) of this
9 subsection and are in compliance with the conditions in
10 subparagraphs (iv) and (v) of such paragraph; ~~[and]~~

11 (c) For the expenses specified in section 314 of
12 this chapter; or

13 (d) To finance infrastructure development
14 projects, purchase school buildings, equipment and other
15 assets for post-secondary institutions in the Federated
16 States of Micronesia.

17 (2) The qualified recipients of financings from the
18 Investment Development Fund are as follows:

19 (a) Private citizens of the Federated States of
20 Micronesia and corporations with a minimum of 20 percent
21 citizen ownership interest; ~~[and]~~

22 (b) The National and State Governments of the
23 Federated States of Micronesia and public corporations
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