
A BILL FOR AN ACT

To further amend title 40 of the Code of the Federated States of Micronesia, as amended, by amending sections 326 and 327 thereof to make National Student Loans available for courses of study leading to commercial aviation licenses, ratings and certifications and to further amend title 54 of the Code of the Federated States of Micronesia, as amended, by amending section 805 thereof, to provide scholarships for certain aviation related post-secondary programs leading to commercial licenses and certifications, and for other purposes.

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

1 Section 1. Section 326 of title 40 of the Code of the
2 Federated States of Micronesia is hereby amended to read as
3 follows:

4 Section 326. Definitions.

5 As used in this chapter:

6 (1) "*Academic year*" or its equivalent means the
7 number of credit hours which a student must acquire
8 during any one school year in order to secure the degree
9 or certificate toward which he or she is working in the
10 number of semesters or terms normally taken therefore at
11 the institution where he is pursuing a course of study.

12 (2) "*Chief*" means the chief of the Division of
13 Education of the Federated States of Micronesia.

14 (3) "*Full-time attendance*" means compliance by a full-
15 time student with policies and regulations regarding
16 attendance in effect at the institution in which he or
17 she is enrolled.

18 (4) "*Full-time student*" means a student who is

1 carrying a full-time academic work load in terms of
2 course work or other required activities as determined by
3 the institution.

4 (5) "*Fund*" means the National Student Loan Revolving
5 Fund.

6 (6) "*Institution of higher education*" means an
7 educational institution which:

8 (a) admits as regular students only persons
9 having a certificate of graduation from a school
10 providing secondary education;

11 (b) is legally authorized to provide a program of
12 education beyond secondary education;

13 (c) provides an educational program for which it
14 awards a bachelor's degree or provides not less than a
15 two-year program which is acceptable for full credit
16 toward such a degree or provides a course of study
17 leading to one or more Federal Aviation Administration
18 (FAA) commercial licenses, ratings or certifications;

19 (d) is a public or other nonprofit institution if
20 a college or university offering credits toward a
21 bachelors degree; and

22 (e) is accredited by a recognized accrediting
23 agency approved by the chief or is an institution whose
24 credits are accepted on transfer by not less than three
25 institutions which are so accredited for credit on the

1 same basis as if transferred from an institution so
2 accredited.

3 (7) "Professional" or "graduate student" means, in
4 general, a student who is enrolled in an academic program
5 of instruction above the college level which is provided
6 at an institution of higher education. The term
7 includes:

8 (a) that portion of any program involving a
9 period of study beyond four academic years of study at
10 the college level; or

11 (b) any portion of a program leading to:

12 (i) a degree beyond the bachelor's or first
13 professional degree, or

14 (ii) a first professional degree when at least
15 three years of study at the college level are required
16 for entrance into a program leading to such degree.

17 (8) "Satisfactory standing" and "good standing" mean
18 the eligibility of a student to continue in attendance
19 at the institution where he or she is enrolled as a
20 student in accordance with the institution's standards
21 and practices.

22 Section 2. Section 327 of title 40 of the Code of the
23 Federated States of Micronesia is hereby amended to read as
24 follows:

25 Section 327. Eligibility.

1 Loans shall be made only to a student who:

2 (1) is a citizen of the Federated States of
3 Micronesia;

4 (2) is in need of the amount of the loan to pursue a
5 course of study on a full-time basis as an
6 undergraduate, graduate, or professional student at an
7 institution of higher education or to pursue an FAA
8 commercial aviation license, rating or certificate
9 through a full-time course of study at an institution of
10 higher education; and

11 (3) has been accepted for enrollment as a full-time
12 student at an institution of higher education or in the
13 case of a student already attending such an institution,
14 is in good standing at such institution and is carrying a
15 full-time academic work load.

16 Section 3. Section 805 of title 54 of the Code of the
17 Federated States of Micronesia, as amended by Public Laws Nos. 13-
18 21 and 13-60, is hereby further amended to read as follows:

19 "Section 805. Distribution of revenues.

20 (1) (a) The treasurer of the Federated States of
21 Micronesia shall pay eighty percent of the net taxes
22 collected pursuant to section 221(9) of this title and,
23 beginning January 1, 2004 and continuing thereafter,
24 fifty percent of all other net taxes collected pursuant
25 to section 121, 141, and 221 of this title into the

1 treasury of the State government to which the taxes are
2 attributable for appropriation by the State legislature.

3 (b) Twenty five percent of the amount remaining,
4 after the transfer of funds pursuant to subsection 1(a)
5 of this section, of the net taxes collected pursuant to
6 subsection 221(1) of this title shall be placed in an
7 account to be used solely for post-graduate school
8 scholarships or full-time post-secondary courses of
9 study leading to commercial Federal Aviation
10 Administration (FAA) licenses, ratings and
11 certifications. The allottee of the scholarship funds
12 shall be the President of the Federated States of
13 Micronesia or his designee;

14 (c) Except as specifically provided in parts (a)
15 and (b) of this subsection, all net taxes collected
16 shall be part of the General Fund of the Federated
17 States of Micronesia, subject to appropriation by
18 Congress pursuant to title 55 of the Code of the
19 Federated States of Micronesia.

20 (2) 'Net taxes' as used in subsection (1) of this
21 section means gross collections of taxes, penalties,
22 interest, or other related charges less refunds."
23

24 Section 4. This act shall become law upon approval by the
25 President of the Federated States of Micronesia or upon its

1 becoming law without such approval.

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3 Date: 2/06/08

Introduced by: /s/ Isaac V. Figir
Isaac V. Figir

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