

Proposal No.: CC-PR-4-25

Assigned to: Committee Public Finance & Revenue

PROPOSAL TO AMEND CONSTITUTION

To amend Article IX, Section 5 of the Constitution of the Federated States of Micronesia to require Congress to share 50% of the revenue derived from the exploitation of natural resources in the portion of the Exclusive Economic Zone that is within the marine boundary of the state as defined in Article 1, section 2 of the FSM Constitution shall be shared with that state.

Section 5.

National taxes shall be imposed uniformly. Not less than 50% of the revenues shall be paid into the treasury of the state where collected. Fifty percent of the fees or revenues or benefits derived from the regulation of the ownership, exploration and exploitation of natural resources within the marines space of the FSM shall be paid into the treasury of the state from whose marine boundary as defined in Article 1, Section 2 of his Constitution the natural resources are located.

PURPOSE AND INTENT OF AMENDMENT:

This amendment recognizes that a vast portion of the FSM's natural resources are located within the FSM's Exclusive Economic Zone and that in the future these resources are likely to be developed and exploited for revenue for the country. This amendment requires the revenue received from the exploitation of these resources is shared with the states. The revenue derived from the exploitation of marine resources shall be divided 50% to the national government and 50% to the state within whose marine boundary the natural resources are located.

Introducer:


Redley Killion

Date:

January 13, 2020