

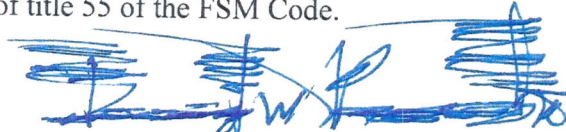
**NOTICE OF EMERGENCY AMENDMENT TO THE PERMANENT REGULATION ON THE  
TOURISM SECTOR MITIGATION FUND ("PERMANENT REGULATION") TO EXPAND  
ITS COVERAGE PURSUANT TO PUBLIC LAW NO. 21-211**

**AND PROMULGATION OF THE SAME AMENDMENT AS A PROPOSED PERMANENT  
REGULATION**

Pursuant to the authority vested in me as President, I am proposing the enclosed as emergency amendment according to the authority of the President under section 609A (3) title 55 of the Code of the Federated States of Micronesia (Annotated), which provides that the President has the power to adopt new regulation prescribing rules for the convenient implementation and enforcement of the provisions of chapter 6 of title 55 of the FSM Code.

Date:

02/08/21

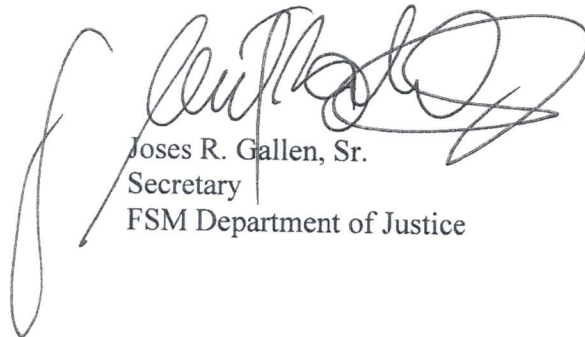


David W. Panuelo  
President  
Federated States of Micronesia

This emergency regulation has been reviewed by the Department of Justice and found to be legally sufficient.

Date:

2/5/21



José R. Gallen, Sr.  
Secretary  
FSM Department of Justice

**REGULATION**  
**EXPANDING THE COVERAGE OF THE TOURISM SECTOR MITIGATION FUND**

1. Authority.  
This amendment is issued according to the authority of the President of the Federated States of Micronesia under section 609A of Title 55 of the FSM Code (Annotated), which provides that the President has the power to adopt new regulation prescribing rules for the convenient implementation and enforcement of the provisions of this section.
2. Amendment. The Permanent Regulation is hereby amended by inserting a new section 3A right at the end of section 3 thereof to read as follows:
  - “3A. Expanded coverage.
    - a. The assistance provided through the Tourism Sector Mitigation Fund may be granted to the following businesses subject to proof of losses due to the COVID-19 pandemic:
      - (1) Exporters, that are able to demonstrate the impacts on their business as a result of border shutdown or other COVID-19 related measures;
      - (2) Debt relief support in the form of interest payments on loans for commercial real estate businesses, showing signed leases that were cancelled or disrupted by border closure and travel restrictions;
      - (3) Transport services such as taxi service;
      - (4) Businesses providing services to tourism sector, such as liquefied petroleum gas providers; and
      - (5) Entertainment establishments impacted by border shutdown or social distancing measures (e.g., theater, bar, and beauty salon).
    - b. The list provided in 3A(a) is not exhaustive, and the Committee may supplement the list subject to economic conditions and any additional sectors that might also be impacted by the pandemic. The Committee shall establish a listing of businesses that are not yet eligible and publish such list for transparency purposes.
    - c. In reviewing an application for financial assistance under the expanded coverage, the Committee shall consider the eligibilities and qualification set out in Public Law No. 21-211 and any subsequent amendment thereof using relevant and reasonable documentation available. Unless specified otherwise by law, the expanded coverage set by Public Law No. 21-211 begins for December 2020 quarter.
    - d. The Committee shall develop and utilize appropriate and user-friendly forms to facilitate the preparation, filing and review of any application for financial assistance.”
3. Approval of this amendment. This amendment is issued and approved as an emergency amendment to the Permanent Regulation, as follows:

**PRESIDENTIAL APPROVAL OF EMERGENCY REGULATION**

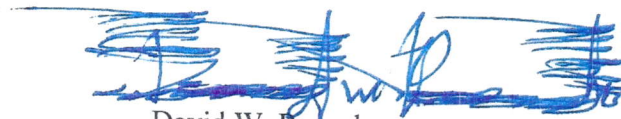
Pursuant to section 102 of title 17 of the Code of the Federated States of Micronesia (Annotated), I have determined that the public interest requires the immediate adoption of this emergency amendment to the Permanent Regulation without prior notice or hearing in view of the urgent nature of this amendment to be in effect given the prevailing national emergency for which the Tourism Sector Mitigation Fund is intended to alleviate some of the economic losses felt by the tourism industry, other businesses and individuals being laid off as a result of the economic downturn during the COVID-19 pandemic.

This emergency amendment to the Permanent Regulation shall take effect on the date of my signature, and shall remain effective for a period of up 120 days or sooner once superseded by a permanent amendment duly promulgated according to subsection (1) of section 102 of Title 17 of the FSM Code.

Pursuant to section 102 of Title 17 of the FSM Code, true copies of this emergency amendment shall be filed with the Registrar of Corporations, and mailed, under registered cover, of copies thereof to the Speaker of Congress, the chairman of each standing committee of Congress, the Legislative Counsel of Congress, each of the State Governors, and Clerks of Court in the Federated States of Micronesia, all to be accomplished within five (5) days from signing.

WHEREFORE, by virtue of the powers vested in me, in the Constitution and the laws of the Federated States of Micronesia, including in particular title 17 of the FSM Code, I hereby adopt and promulgate this emergency amendment to the Permanent Regulation.

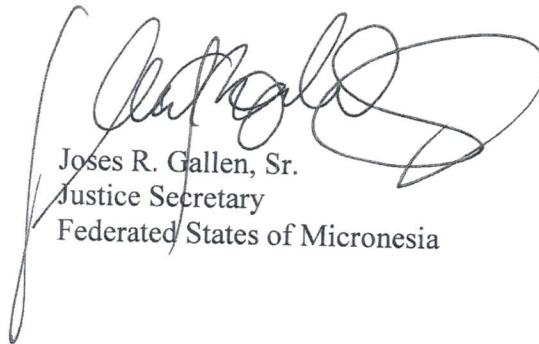
Date: 02/08/21



David W. Panuelo  
President  
Federated States of Micronesia

Approved as to legal sufficiency:

Date: 2/5/21



Joses R. Gallen, Sr.  
Justice Secretary  
Federated States of Micronesia