



*The President*  
Palikir, Pohnpei  
Federated States of Micronesia

PRESIDENTIAL COMM. NO. 16-235  
FSM CONGRESS

June 29, 2010

The Honorable Isaac V. Figir  
Speaker  
16<sup>th</sup> FSM Congress  
Palikir, Pohnpei State, FM 96941



Dear Speaker Figir:

I am pleased to transmit herewith the following Congressional Act which I have signed to become Public Law No. 16-38, to wit:

Congressional Act No. 16-38, "AN ACT TO AMEND SECTIONS 201 AND 203 OF TITLE 37 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA, AS ESTABLISHED BY PUBLIC LAW NO. 14-66, TO SEPARATE THE FUNCTIONS OF THE INSURANCE BOARD AND THE INSURANCE COMMISSIONER FROM THE BANKING BOARD AND THE BANKING COMMISSIONER, AND FOR OTHER PURPOSES."

This amendment to the law that creates the Insurance Board finally clarifies the distinct nature of the delegated functions pertaining to insurance vis-à-vis the banking sector. Hence, the Nation's two distinct and critical industries, namely, banking and insurance, must be regulated separately.

I take this opportunity to thank you and all the members of Congress for your hard work and for the passage of this act.

With warm personal regards, I remain,

Sincerely,

  
Manny Mori  
President

Enclosures:

xc: Chief Justice, FSM Supreme Court  
Secretary, Department of Justice  
Director, Office of SBOC  
Legislative Counsel, CFSM  
Library, CFSM  
PIO, FSM



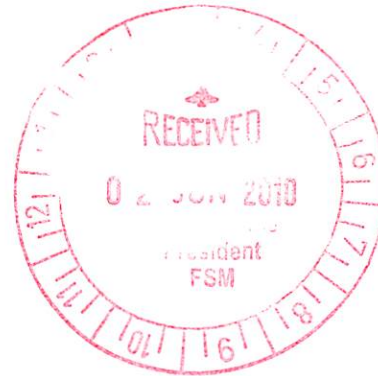
CONGRESS OF THE FEDERATED STATES OF MICRONESIA

P.O. Box PS 3  
Palikir, Sokehs  
Pohnpei State, FM 96941  
Tel: (691) 320-2324 / 2338  
Fax: (691) 320-5122

Office of the Chief Clerk

June 02, 2010

His Excellency Manny Mori  
President  
Federated States of Micronesia  
Palikir, Pohnpei FM 96941



Dear President Mori:

I have the honor to transmit herewith Congressional Act No. 16-38, "AN ACT TO AMEND SECTIONS 201 AND 203 OF TITLE 37 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA, AS ESTABLISHED BY PUBLIC LAW NO. 14-66, TO SEPARATE THE FUNCTIONS OF THE INSURANCE BOARD AND THE INSURANCE COMMISSIONER FROM THE BANKING BOARD AND THE BANKING COMMISSIONER, AND FOR OTHER PURPOSES.", which was passed by the Sixteenth Congress of the Federated States of Micronesia, Fourth Regular Session, 2010, by a two-thirds vote of all the State delegations as required and as duly certified.

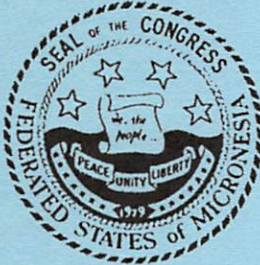
Sincerely yours,

A handwritten signature in black ink, which appears to read "Liwiana Ramon Ioanis", is written over the signature line.

Liwiana Ramon Ioanis  
Chief Clerk, Congress of the  
Federated States of Micronesia

Enclosures





SIXTEENTH CONGRESS OF THE  
FEDERATED STATES OF MICRONESIA  
FOURTH REGULAR SESSION  
MAY 11 - 30, 2010

PUBLIC LAW No. 16-38

## An Act

TO AMEND SECTIONS 201 AND 203 OF TITLE 37 OF THE CODE OF THE  
FEDERATED STATES OF MICRONESIA, AS ESTABLISHED BY PUBLIC LAW NO. 14-  
66, TO SEPARATE THE FUNCTIONS OF THE INSURANCE BOARD AND THE  
INSURANCE COMMISSIONER FROM THE BANKING BOARD AND THE BANKING  
COMMISSIONER, AND FOR OTHER PURPOSES.

INTRODUCED BY: SENATOR JOE N. SUKA (BY REQUEST)

DATE: FEBRUARY 5, 2010

REFERRED TO: COMMITTEE ON RESOURCES AND DEVELOPMENT  
S.C.R. NO. 16-81 – MAY 27, 2010

FIRST READING: MAY 29, 2010

SECOND READING: MAY 30, 2010

Liwiana Ramon Ioanis  
Chief Clerk, FSM Congress





CONGRESS OF THE FEDERATED STATES OF MICRONESIA

P.O. Box PS 3  
Palikir, Sokehs  
Pohnpei State, FM 96941  
Tel: (691) 320-2324 / 2338  
Fax: (691) 320-5122

*Office of the Speaker*

ACT NO. 16-38

(CONGRESSIONAL BILL NO. 16-81, C.D.1)

We hereby certify that on May 30 the foregoing act passed  
Second and Final Reading of the Sixteenth Congress of the  
Federated States of Micronesia, Fourth Regular Session,  
2010, by a two-thirds vote of all the State delegations as  
required under article IX, section 20, of the Constitution  
of the Federated States of Micronesia.

A handwritten signature in black ink, appearing to read "Isaac V. Figir".

Isaac V. Figir  
Speaker  
Congress of the  
Federated States of Micronesia

A handwritten signature in black ink, appearing to read "Liwiana Ramon Ioanis".

Liwiana Ramon Ioanis  
Chief Clerk  
Congress of the  
Federated States of Micronesia

SIXTEENTH CONGRESS OF THE FEDERATED STATES OF MICRONESIA

THIRD REGULAR SESSION, 2010

CONGRESSIONAL BILL NO. 16-81, C.D.1

**PUBLIC LAW No. 16-38**

AN ACT

To amend sections 201 and 203 of title 37 of the Code of the Federated States of Micronesia, as established by Public Law No. 14-66, to separate the functions of the Insurance Board and the Insurance Commissioner from the Banking Board and the Banking Commissioner, and for other purposes.

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

1       Section 1. Section 201 of the title 37 of the Code of the  
2 Federated States of Micronesia, as established by Public Law No.  
3 14-66, is hereby amended to read as follows:

4               "Section 201. Establishment of the Insurance Board.

5               (1) There is hereby established an Insurance  
6 Board which shall be composed of three members  
7 appointed by the President and with the advice and  
8 consent of the Congress of the Federated States of  
9 Micronesia.

10              (2) All appointments shall be for a term of four  
11 years; PROVIDED, HOWEVER, that, unless otherwise  
12 provided by the President, all rights and powers of  
13 an Insurance Board member shall be maintained by each  
14 member until the appointment of such member's  
15 successor. Insurance Board members shall be eligible  
16 for reappointment.

17              (3) The Chairman of the Insurance Board shall be  
18 elected by the members at the first organizational

1 meeting of the Board.

2 (4) Prior to the appointment of members of the  
3 Insurance Board constituting a quorum, the Banking  
4 Board shall serve as the Insurance Board.  
5 Furthermore, until separate logistical and  
6 administrative support are available to the Insurance  
7 Commissioner, the Insurance Commissioner shall  
8 utilize on a temporary basis the logistical and  
9 administrative support available to the Banking  
10 Commissioner. Nothing herein derogates the authority  
11 and prerogative of the President to provide  
12 administrative support to the Insurance Board and the  
13 Insurance Commissioner pursuant to the provision of  
14 section 206.

15 Section 2. Section 203 of the title 37 of the  
16 Code of the Federated States of Micronesia, as amended by Public  
17 Law No. 14-66, is hereby amended to read as follows:

18 "Section 203. Insurance Commissioner.

19 (1) The President shall appoint a person to be the  
20 Insurance Commissioner who shall be responsible to the  
21 Insurance Board for the execution of its policy and the  
22 performance of duties and exercise of powers conferred  
23 by this title.

24 (2) The Insurance Commissioner shall be a person of  
25 recognized experience in insurance and financial matters

1           and shall be eligible for reappointment. The Insurance  
2           Commissioner shall not hold or occupy any other office  
3           unless approved in writing by the President.


4           (3) The remuneration and other terms and conditions  
5           of employment of the Insurance Commissioner shall be  
6           determined from time to time by the Insurance Board.

7           (4) The Insurance Commissioner shall, except as may  
8           otherwise be provided in this title or the resolutions  
9           of the Insurance Board, have the power to act and sign  
10          instruments and documents on behalf of the Insurance  
11          Board.

12          (5) The Insurance Commissioner shall serve, ex  
13          officio, as a non-voting member of the Insurance Board.

14          (6) During any period when there is no duly appointed  
15          person serving as Insurance Commissioner, the Chairman  
16          of the Insurance Board shall perform the duties and  
17          exercise the rights of the Insurance Commissioner."  
18  
19  
20  
21  
22  
23  
24  
25

June 29, 2010

  
Manny Mori  
President  
Federated States of Micronesia