

A BILL FOR AN ACT

To further amend section 809 of title 53 of the Code of the Federated States of Micronesia, as amended by Public Laws Nos. 14-37, 14-86, 15-73 and 16-10, to modify the payment of benefits to foreign citizens outside the Federated States of Micronesia, to give an additional option of fully vesting in the Social Security Administration program for retirement benefits after 100 quarters (25 years), and for other purposes.

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

1           Section 1. Section 809 of title 53 of the Code of the  
2 Federated States of Micronesia, as amended by Public Laws Nos.  
3 14-37, 14-86, 15-73 and 16-10, is hereby further amended to read  
4 as follows:

5           "Section 809. Payment of benefits to foreign citizens  
6 outside Federated States of Micronesia.

7           Unless modified by a totalization or other international  
8 agreement, benefit payments under this act shall be paid  
9 to a beneficiary who is not a citizen or a national of  
10 the Federated States of Micronesia and does not reside  
11 in the Federated States of Micronesia, as follows:

12           (a) Payments shall be made to citizens and nationals  
13 of the Republic of Palau, the Republic of the Marshall  
14 Islands, and the United States as if they were citizens  
15 or nationals of the Federated States of Micronesia as  
16 long as the Social Security Administration of those  
17 nations gives citizens and nationals of the Federated

---

1 States of Micronesia reciprocal treatment.

2 (b) For applications filed after this bill becomes  
3 law, payments shall be made to citizens and nationals of  
4 other nations, at their option of

5 1) if they [~~are fully insured~~] have contributed  
6 100 quarters (25 years) consecutively to the Social  
7 Security Administration at the time of application, to  
8 be treated for purposes of benefits under this title the  
9 same as a FSM citizen that is fully insured. [~~in a lump~~  
10 ~~sum equal to the total amount contributed to the Social~~  
11 ~~Security Administration by the employee under section~~  
12 ~~901 of the act while employed in the Federated States of~~  
13 ~~Micronesia as of the date the employee turns age 60 or~~  
14 ~~is no longer employed in the Federated States of~~  
15 ~~Micronesia, whichever is later, or dies prior to age 60.~~  
16 ~~All payments due under this section shall be payable~~  
17 ~~over six [months] years, from the date of death, or the~~  
18 ~~date of turning age 60, and/or the date of filing an~~  
19 ~~application for such benefits, whichever is later~~  
20 ~~[subject to the residency provision in paragraph (d)]~~  
21 less any monthly or periodic payments received; or

22 2) if they have contributed 50 quarters (12.5  
23 years) consecutively to the Social Security  
24 Administration at the time of application, in a lump sum  
25 equal to the total amount contributed to the Social

---

---

1           Security Administration by the employee under section  
2           901 of the act while employed in the Federated States of  
3           Micronesia as of the date the employee turns age 60 or  
4           is no longer employed in the Federated States of  
5           Micronesia, whichever is later, or dies prior to age 60.  
6           All payments due under this section shall be payable  
7           over six months, from the date of death, or the date of  
8           turning age 60, and/or the date of filing an application  
9           for such benefits, whichever is later subject to the  
10           residency provision in paragraph (d) less any monthly or  
11           periodic payments received.

12           (c) For applications filed prior to the date of this  
13           bill becomes law, payments shall be made to citizens and  
14           nationals of other nations if they have contributed 50  
15           quarters (12.5 years) to the Social Security  
16           Administration in a lump sum equal to the total amount  
17           contributed to the Social Security Administration by the  
18           employee under section 901 while employed in the  
19           Federated States of Micronesia as of the date the  
20           employee ceases to be a resident of the Federated States  
21           of Micronesia in accordance with paragraph (d) of this  
22           section, turns age 60 or is no longer employed in the  
23           Federated States of Micronesia, whichever is later, or  
24           dies prior to age 60. All payments due under this  
25           section shall be payable over six months, from the date

---

---

1           of death, or the date of turning age 60, and/or the date  
2           of filing an application fro such benefits, whichever is  
3           later subject to the residency provision in paragraph  
4           (d) less any monthly or periodic payments received.

5           (d) For the purposes of this section, an individual  
6           resides in the Federated States of Micronesia if they  
7           are present in the territory of the Federated States of  
8           Micronesia for 180 days out of the last 365 days and  
9           have ties to the Federated States of Micronesia that  
10          indicate residence such as a home, vehicle, bank account  
11          or personal property.

12          (e) In determining the benefits and entitlements under  
13          this title for an individual who receives a lump sum  
14          payment in accordance with paragraphs (b), (c) or (d) of  
15          this section and who subsequently returns to the  
16          Federated States of Micronesia to undertake further  
17          covered employment, no covered quarters, employee  
18          contributions or employer contributions accrued by the  
19          individual prior to receiving a lump sum payment shall  
20          be counted."

21  
22  
23  
24  
25          Section 2. This act shall become law upon approval by the

