

## AN ACT

To amend the Trust Territory Social Security Act, 73 TTC Sections 104, 105 and 107, as amended, to provide for increases in the amount of benefits, and for other purposes.

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

1       Section 1. 73 TTC 104, as amended by Congress of Micronesia Public  
2 Law No. 6-89, is hereby further amended to read as follows:

3               "Section 104. Dependents' benefits--Children--Termination of  
4               benefits--Disability benefits.

5               (1) Every surviving child who was dependent upon an  
6               individual entitled to old age benefits, or who was dependent  
7               upon an individual who dies fully insured or currently  
8               insured, upon filing application, shall be entitled to a child's  
9               insurance benefit for each month beginning with the month of  
10              January, 1970, or the month of death of such individual which-  
11              ever is later and ending with the month preceding whichever  
12              of the following first occurs:

13              (a) Attainment of age 18 years, except that benefits  
14              are payable until the month before the attainment of age  
15              twenty-two so long as the beneficiary is a bonafide student,  
16              and except that benefits are payable during the disability of  
17              a child who was disabled before the attainment of age twenty-  
18              two;

19              (b) Marriage; or

20              (c) Adoption (except for adoption subsequent to the  
21              death of the fully insured individual, upon whom the child is  
22              dependent, by a step-parent, grandparent, aunt or uncle).

1           2.1 percent of cumulative covered earnings in excess of ten  
2           thousand dollars but not in excess of the next thirty thousand  
3           dollars, plus 1.05 percent of cumulative covered earnings in  
4           excess of forty thousand dollars. Earnings for employment  
5           after commencement of payments for old age or disability  
6           insurance benefits shall be included in benefit calculations  
7           upon subsequent application for benefits, but such earnings  
8           shall be applicable for benefits for months after the calendar  
9           year in which such earnings occurred.

10           (2) An insured, eligible individual shall be paid a  
11           minimum monthly pension of thirty-three dollars and sixty  
12           cents if the pension amount calculated in accordance with  
13           Subsection (1) of this Section is less than \$33.60 monthly.

14           (3) An individual who is both fully and currently insured  
15           and who has been under a disability for three full calendar  
16           months shall be paid a monthly pension for life or until  
17           recovery from the disability, except for any month of dis-  
18           qualification as provided by this Title, in an amount  
19           calculated in accordance with the preceding Subsections of  
20           this Section. Further, the amount of the pension as so  
21           determined shall, if the individual is receiving a periodic  
22           workmen's compensation benefit, be reduced each month by the  
23           excess of the sum of the workmen's compensation benefit for  
24           that month payable under this Title, over eighty percent of  
25           one-twelfth of the highest annual covered wages in the period



(2) A child shall be deemed dependent upon his parent or adopting parent unless such individual was not living in the same household with or contributing to the support of such child. Child's insurance benefits shall be paid to the individual upon whom the child is currently dependent except such benefit shall be subject to the earnings test as defined in this Title.

(3) Every individual who is a fully and currently insured individual and is disabled and has been disabled for at least three full calendar months, upon filing an application for disability insurance benefits, shall be entitled to a disability retirement pension for each month beginning with the month of January 1974, or the first month of the waiting period, whichever is later, and ending with the month preceding the month in which he dies or recovers from his disability, subject to the earnings test as defined in this Title."

Section 2. 73 TTC 105, as amended by Congress of Micronesia Public Law No. 6-137, is hereby further amended to read as follows:

"Section 105. Retirement and disability insurance benefits - Amount.

(1) An insured, eligible individual shall be paid a monthly old age retirement pension for life, except for any month of disqualification as provided by this Title, in an amount calculated upon an annual basis of 12.6 percent of the first ten thousand dollars of cumulative covered earnings, plus

1 consisting of the year in which the disability occurred and  
2 the preceding five years. If a workmen's compensation benefit  
3 was payable in periodic benefits but was commuted to a lump  
4 sum, for purposes of this Subsection it will be considered  
5 that the periodic benefit originally available was paid in  
6 each month that it would have been paid if the commutation had  
7 not occurred."

8 Section 3. 73 TTC 107, as amended by Congress of Micronesia Public  
9 Law No. 6-91, is hereby further amended to read as follows:

10 "Section 107. Survivors' insurance benefits - Amount.

11 (1) The surviving spouse of a fully insured worker eligible  
12 in accordance with Section 103 of this Chapter shall be paid a  
13 monthly pension in an amount equal to sixty percent of the  
14 retirement insurance benefit calculated for the deceased spouse  
15 at the date of death.

16 (2) Each eligible child of an insured worker shall be  
17 entitled to a monthly pension of fifteen percent of the retire-  
18 ment insurance benefit calculated for the deceased parent at the  
19 date of death.

20 (3) If the spouse of the insured worker is eligible for  
21 retirement pension based on his or her own employment coverage,  
22 the survivor's insurance pension shall be reduced by the amount  
23 of such retirement pension.

24 (4) In no event shall the total survivor's pension paid to  
25 the spouse and children, as provided in this Title, exceed the



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1 retirement pension calculated for the decedent as of the date  
2 of death nor shall it be less than \$33.60 a month computed prior  
3 to the application of Subsection (3) of this Section."

4 Section 4. This act shall become law upon its approval by the  
5 President of the Federated States of Micronesia or its becoming law without  
6 such approval, and shall take effect upon concurrent legislation enacted  
7 by the Governments of Palau and the Marshall Islands and the approval by  
8 the High Commissioner of this act and such concurrent legislation.

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10  
11 January 7, 1980

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14 Tosiwo Nakayama  
15 Tosiwo Nakayama  
16 President  
17 Federated States of Micronesia  
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