The Honorable Wesley W. Simina
Speaker
Twenty-First Congress
Federated States of Micronesia
Palikir, Pohnpei FM 96941

Dear Speaker Simina:

I am pleased to transmit the following act, which I have signed to become Public Law No. 21-152:

Congressional Act No. 21-160, entitled: “AN ACT TO FURTHER AMEND SECTION 805 OF TITLE 54 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA (ANNOTATED), AS AMENDED BY PUBLIC LAW NO. 18-107, TO EXEMPT THE EXTRA 20% OF THE SHARE OF REVENUES COLLECTED TO THE NATIONAL GOVERNMENT FROM BEING DEPOSITED INTO THE STATE SUB-ACCOUNTS OF THE FSM TRUST FUND, TO MAKE TECHNICAL CORRECTIONS, AND FOR OTHER PURPOSES.”

I take this opportunity to thank the 21st FSM Congress for the passage of this act during the previous special session.

Sincerely,

David W. Panuelo
President

xc: Chief Justice, FSM Supreme Court
July 10, 2020

His Excellency David W. Panuelo
President
Federated States of Micronesia
Palikir, Pohnpei FM 96941

Dear President Panuelo:

I have the honor to transmit herewith Congressional Act No. 21-160, "AN ACT TO FURTHER AMEND SECTION 805 OF TITLE 54 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA (ANNOTATED), AS AMENDED BY PUBLIC LAW NO. 18-107, TO EXEMPT THE EXTRA 20% OF THE SHARE OF REVENUES COLLECTED TO THE NATIONAL GOVERNMENT FROM BEING DEPOSITED INTO THE STATE SUB-ACCOUNTS OF THE FSM TRUST FUND, TO MAKE TECHNICAL CORRECTIONS, AND FOR OTHER PURPOSES", which was passed by the Twenty-First Congress of the Federated States of Micronesia, Sixth Special Session, 2020, by a two-thirds vote of all the State delegations as required and as duly certified.

Sincerely yours,

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

Enclosures
An Act

TO FURTHER AMEND SECTION 805 OF TITLE 54 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA (ANNOTATED), AS AMENDED BY PUBLIC LAW NO. 18-107, TO EXEMPT THE EXTRA 20% OF THE SHARE OF REVENUES COLLECTED TO THE NATIONAL GOVERNMENT FROM BEING DEPOSITED INTO THE STATE SUB-ACCOUNTS OF THE FSM TRUST FUND, TO MAKE TECHNICAL CORRECTIONS, AND FOR OTHER PURPOSES.

INTRODUCED BY SENATOR: WESLEY W. SIMINA

DATE: JUNE 30, 2020

REFERRED TO: COMMITTEE ON WAYS AND MEANS
WITHDRAWN – JULY 8, 2020
FIRST READING: – JULY 8, 2020
SECOND READING: – JULY 9, 2020

Liwiana Ramon Iqinis
Chief Clerk, FSM Congress
ACT NO. 21-160

(CONGRESSIONAL BILL NO. 21-236)

We hereby certify that on July 9 the foregoing act passed Second and Final Reading of the Twenty-First Congress of the Federated States of Micronesia, Sixth Special Session, 2020, 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.

Wesley W. Simina
Speaker
Congress of the Federated States of Micronesia

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

To further amend section 805 of title 54 of the Code of the
Federated States of Micronesia (Annotated), as amended by Public Law
No. 18-107, to exempt the extra 20% of the share of revenues
collected to the National Government from being deposited into the
State sub-accounts of the FSM Trust Fund, to make technical
corrections, and for other purposes.

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

1. Section 805 of title 54 of the Code of the
2. Federated States of Micronesia (Annotated), as amended by
3. Public Law No. 18-107, is hereby further amended to read as
4. follows:

"Section 805. Distribution of revenues.

(1) Distribution to the States.

(a) The treasurer of the Federated States of
Micronesia shall pay eighty percent of the net taxes
collected pursuant to section 221(9) of this title,
and fifty percent of all other net taxes collected
pursuant to sections 121, 141, and 221 of this title
into the treasury of the State government to which
the taxes are attributable for appropriation by the
State legislature.

(b) Subject to Part (e) below, an additional
twenty percent of the total of all other net taxes
collected pursuant to sections 121, 141, and 221 of
this title after the Treasurer of the Federated
States of Micronesia has administered distribution
under part (a) shall be deposited by the treasurer of
the Federated States of Micronesia into the State
sub-account "A" of the FSM Trust Fund on behalf of
the National Government for the State government to
which the taxes are attributable. The additional
twenty percent (20\%) deposited by the National
Government into individual States sub-account A may
not be withdrawn by the States.

(c) Twenty-five percent of the amount
remaining, after the transfer of funds pursuant to
parts (a) and (b) of this subsection, of the net
taxes collected pursuant to subsection 221(1) of this
title shall be placed in an account to be used solely
for post-graduate school scholarships or full-time
post-secondary courses of study leading to commercial
Federal Aviation Administration (FAA) licenses,
ratings and certifications. The allottee of the
scholarship funds shall be the President of the
Federated States of Micronesia or his designee;

(d) Except as specifically provided in parts
(a), (b) and (c) of this subsection, all net taxes
collected shall be part of the General Fund of the
Federated States of Micronesia, subject to
appropriation by Congress pursuant to title 55 of the Code of the Federated States of Micronesia.

(e) on an extraordinary basis the extra 20% of net taxes collected during fiscal years 2021 and 2022 as defined in part (b) of this subsection above shall be remitted to the States and not to the FSM Trust Fund.

(2) 'Net taxes' as used in subsection (1) of this section means gross collections of taxes, penalties, interest, or other related charges less refunds."

Section 2. This act will come into effect on October 1, 2015.

Section 3. This act shall become law upon approval by the President of the Federated States of Micronesia or upon its becoming law without such approval.

July 28th, 2020

David W. Panuelo
President
Federated States of Micronesia