
A BILL FOR AN ACT

To further amend section 208 of title 52 of the Code of the Federated States of Micronesia (Annotated), as amended by Public Law No. 18-114, to reduce the cost-of-living allowance, and to further amend chapter 2 of title 52 of the Code of the Federated States of Micronesia (Annotated), as amended by Public Laws Nos. 18-114, 20-143, 22-170, by inserting a new section 213 in order to require the National Government to pay 100% of life insurance plan costs for all National Government employees, to authorize the Director of the Office of Personnel to designate and change designation of the life insurance provider in consultation with the Department of Finance and Administration, to require the Office of Personnel and Department of Finance and Administration to jointly report to Congress on designation and any change in designated life insurance provider, to require biennial review and reporting on the designated life insurance provider, and for other purposes.

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

1 Section 1. Section 208 of title 52 of the Code of the
2 Federated States of Micronesia (Annotated), as amended by Public
3 Law No. 18-114, is hereby further amended to read as follows:

4 "Section 208. Cost-of-living allowance (COLA).

5 Employees of the National Government of the Federated States
6 of Micronesia (including contract and exempt employees) shall
7 receive a cost-of-living allowance (COLA) in the amount of
8 [\$40.00] per 80 hour pay period until September 30, 2023.

9 This COLA shall be in effect beginning [July 1, 2015].

10 Beginning October 1, 2023, the COLA shall be reduced to \$0."

11 Section 2. Chapter 2 of title 52 of the Code of the Federated
12 States of Micronesia (Annotated), as amended by Public Laws Nos.
13 18-144, 20-143, and 22-170, is hereby further amended by inserting

1 a new section 213, to read as follows:

2 "Section 213. Life Insurance Coverage.

3 (1) The Government of the Federated States of Micronesia
4 shall pay 100% of the basic life insurance plan costs,
5 with a life insurance plan provider as designated by the
6 Director of the Office of Personnel in accordance with
7 this section for all National Government employees. For
8 purposes of this section, National Government employees
9 include contract and exempt employees. This section
10 shall be in effect beginning January 1, 2024.

11 (2) The National Government shall not pay any life insurance
12 plan costs for dependents of National Government
13 employees. The National Government shall not pay any
14 costs for any supplemental life insurance plans from the
15 designated life insurance provider nor life insurance
16 plan costs for any life insurance provider not currently
17 designated by the Director of the Office of Personnel.

18 (3) Within ninety (90) calendar days of this act becoming
19 law, the Office of Personnel shall designate one (1)
20 life insurance provider to provide basic life insurance
21 plan coverage for all National Government employees.

22 (4) At least sixty (60) calendar days prior to designation
23 of the life insurance provider for National Government
24 employees, the Director of the Office of Personnel shall
25 consult with the Secretary of the Department of Finance

1 and Administration on the life insurance plan provider
2 costs.

3 (5) At least thirty (30) calendar days prior to designation
4 of the life insurance provider for National Government
5 employees, the Director of the Office of Personnel and
6 Secretary of the Department of Finance and
7 Administration shall submit a joint report to Congress
8 on the life insurance provider plan costs and reason for
9 the designation.

10 (6) The Director of the Office of Personnel shall conduct an
11 biennial review of the designated life insurance
12 provider and report the findings to Congress by May 1st
13 of each biennial year beginning May 1, 2026. The report
14 to Congress shall include at a minimum a financial
15 assessment on life insurance coverage costs and life
16 insurance benefit payouts, financial stability of the
17 life insurance provider, and any recommendations to
18 change the life insurance provider designation.

19 (7) The Director of the Office of Personnel may change the
20 designation of the life insurance provider by regulation
21 in accordance with the rulemaking requirements under
22 section 102(1) of Title 17 of the Code of the Federated
23 States of Micronesia. In case the Director of the Office
24 of Personnel recommends a change in designation of the
25 life insurance provider:

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- 1 a. the Director of the Office of Personnel shall consult
2 with the Secretary of the Department of Finance and
3 Administration on both the current and proposed life
4 insurance plan provider costs at least sixty (60)
5 calendar days prior to any rulemaking under this
6 section; and
- 7 b. The Director of the Office of Personnel and the
8 Secretary of the Department of Finance and
9 Administration shall submit a joint report to Congress
10 on the reason for the change in designation and the
11 proposed life insurance provider plan costs at least
12 thirty (30) calendar days prior to any rulemaking
13 under this section."

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

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18 Date: 7/10/23

 Introduced by: /s/ Robson U. Romolow
 Robson U. Romolow

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