

A BILL FOR AN ACT

To amend section 809 of title 53 of the Code of the Federated States of Micronesia (Annotated), 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 (Annotated), is hereby further
3 amended to read as follows:

4 “Section 809. Payment of benefits to foreign citizens
5 outside Federated States of Micronesia.

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

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

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

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

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

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

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

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

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

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

20 Section 2. This act shall become law upon approval by the
21 President of the Federated States of Micronesia or upon its becoming
22 law without such approval.

23
24 Date: 7/17/15

Introduced by: /s/ Florencio S. Harper
Florencio S. Harper