

A BILL FOR AN ACT

To further amend Title 51 of the Code of the Federated States of Micronesia (Annotated), by amending section 121A to save from an exception provided under Public Law No. 22-159 that will authorize the Division of Labor to continue to process certain employment contracts from the private sector to ensure their authenticity and validity and to take appropriate action on labor contract complaints or concerns relating to the enforcement of labor contracts; by inserting a new section 170 to authorize the Division of Labor to charge fees and impose administrative penalties for labor violations; by amending section 302 to expand the scope of cooperation and sharing of information; by amending section 307 to require establishment of minimum labor standards; by amending sections 112, 113, 114, 115, 121, 122, 131, 133, 134, 135, 136, 137, 139, 141, 151, 152, 153, 154, 155, 163, 165, 166, 169, 201, 202, 203, 204, 205, 207, 303, 304, 305, and 306 to eliminate all outdated references under Title 51 to reflect the current composition of the Division of Labor under the FSM Department of Justice, and for other purposes.

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

1 Section 1. Section 121A of chapter 1 of title 51 of the Code
2 of the Federated States of Micronesia (Annotated), as enacted by
3 Public Law No. 22-159, is hereby amended to read as follows:

4 "Section 121A. Compliance with chapter; Exception for
5 private sector employees.

6 (1) No employer shall employ a nonresident worker except
7 in strict accordance with the provisions of this chapter
8 and rules and regulations issued hereunder, except that the
9 provisions of this chapter save as expressly provided in
10 subsection 2 of this section shall not apply to private
11 sector employees who are brought into the Federated States

1 of Micronesia for the purposes of private sector
2 employment. The exception for private sector employment
3 under this Chapter shall expire on September 30, 2027.

4 (2) The Division of Labor under the Department of Justice
5 shall continue to process and verify employment contracts
6 and supporting documents from the private sector to ensure
7 their authenticity and validity, and to take appropriate
8 action on labor contract complaints or concerns relating to
9 the enforcement of labor contracts."

10 Section 2. Subchapter VI of Chapter 1 of Title 51 of the Code
11 of the Federated States of Micronesia (Annotated), as amended, is
12 hereby amended to add a new section 170 to read as follows:

13 "Section 170. Fees and Administrative Penalties.

14 In the enforcement of this Chapter, the Chief may charge
15 fees for certain activities or services rendered by the
16 Division and impose fines as administrative penalties for
17 certain violations of labor contracts or labor laws by any
18 person, provided that such fees and fines shall be
19 reasonable and clearly defined in regulations promulgated
20 pursuant to this Chapter."

21 Section 3. Section 112 of Title 51 of the Code of the Federated
22 States of Micronesia (Annotated), as amended, is hereby amended to
23 read as follows:

24 "Section 112. Definitions.

25 For the purposes of this chapter, unless it is otherwise

provided or the context requires a different construction,
application, or meaning:

(1) "Available" means able to be on the island on
which the employer desires workers on the date the
employer states the workers are desired.

(2) "Chief" means the chief of the Division of Labor
within the Department of [~~Resources and Development~~]
Justice.

(3) "Division" means the Division of Labor under the
Department of Justice. [~~"District representative"~~
~~means any district employment service officer, or any
other person designated by the chief to act on his
behalf in any district in which there is no district
employment service officer.]~~

(4) "Employer" means any individual, partnership,
association, or corporation hiring employees in the
[~~Trust Territory~~] FSM and any individual who has in
his employ a domestic servant, but does not include
any branch or agency of the [~~Trust Territory~~]FSM
Government or of the United States Government.

(5) "Employment service" means the [~~Trust Territory
Employment Service established under section 151 of
this chapter~~]unit within the Division of Labor under
the FSM Department of Justice which is responsible for
carrying out the employment service functions outlined

1 under Section 151 of this Chapter.

2 (6) "Employment service officer" means the official
3 who is the head of the [~~Trust Territory~~]FSM Employment
4 Service established under section 151 of this chapter.

5 (7) "Nonresident worker" means any person who is
6 capable of performing services or labor and who is not
7 a citizen of the [~~Trust Territory~~]FSM or an immigrant
8 alien admitted to the [~~Trust Territory~~]FSM for
9 permanent residence under the provisions of title 50
10 of this code, including persons acting in a
11 professional, managerial, or executive capacity.

12 (8) "Resident worker" means any person who is capable
13 of performing services or labor and who is a citizen
14 of the [~~Trust Territory~~]FSM or an immigrant alien
15 admitted to the [~~Trust Territory~~]FSM for permanent
16 residence under the provisions of title 50 of this
17 code, including persons acting in a professional,
18 managerial, or executive capacity.

19 Section 4. Section 113 of Title 51 of the Code of the
20 Federated States of Micronesia (Annotated), as amended, is
21 hereby amended to read as follows:

22 "Section 113. Statement of policy.

23 The Congress of the Federated States of Micronesia finds
24 and declares that it is essential to a balanced and stable
25 economy in the [~~Trust Territory~~]FSM that [~~Trust~~

~~Territory~~FSM citizen workers be given preference in employment in occupations and industries in the [~~Trust Territory~~FSM], and that the public interest requires that the employment of noncitizen workers in such occupations and industries not impair the wages and working condition of [~~Trust Territory~~FSM] workers."

Section 5. Section 114 of Title 51 of the Code of the Federated States of Micronesia (Annotated), as amended, is hereby amended to read as follows:

"Section 114. Preference.

Resident workers shall be given preference in employment in the [~~Trust Territory~~FSM] in any industry or occupation for which such workers are qualified and available. Nonresident workers shall be employed only to supplement the labor force of available and qualified resident workers."

Section 6. Section 115 of Title 51 of the Code of the Federated States of Micronesia (Annotated), as amended, is hereby amended to read as follows:

"Section 115. Benefits for resident workers hired by Government contractors.

(1) The [~~Trust Territory~~FSM] shall not enter into any contract whose primary purpose is the construction of any building, airport, road, harbor, or any other thing, unless such contract provides that if the contractor utilizes nonresident labor as defined in this chapter and if such

contract provides that if this chapter and if such contractor provides either transportation, lodging or lodging expenses, or room or board expenses to any such employee, then such contractor shall provide the same benefits to resident employees, as defined in this title.

(2) Transportation, lodging or lodging expenses, or room or board expenses need not be provided when a resident employee maintains his principal place of residence within normal commuting distance, as defined by regulations implementing [~~Public Law No. 4C-49~~]Title 52 of the Code of the Federated States of Micronesia, from his place of employment with such contractor."

Section 7. Section 121 of Title 51 of the Code of the Federated States of Micronesia (Annotated), as amended, is hereby amended to read as follows:

"Section 121. Compliance with chapter; Exception for temporary employees.

(1) No employer shall employ a nonresident worker except in strict accordance with the provisions of this chapter and rules and regulations issued hereunder, except that the provisions of this chapter shall not apply to temporary employees who are brought into the [~~Trust Territory~~]FSM for a period of time not to exceed 90 days.

(2) If the employer bringing in such temporary employees to the [~~Trust Territory~~]FSM finds that their services are

1 needed for a period of time exceeding 90 days, he may apply
2 to the chief for an extension of the exemption, and the
3 chief may grant such extension for an additional period of
4 time not to exceed 90 days if he finds that the extension
5 is reasonable.

6 (3) The chief may grant more than one extension, but the
7 total time period, including any extensions, such temporary
8 employee may remain in the [~~Trust Territory~~]FSM under
9 temporary employee status shall not exceed 180 days."

10 Section 8. Section 122 of Title 51 of the Code of the Federated
11 States of Micronesia (Annotated), as amended, is hereby amended to
12 read as follows:

13 "Section 122. Application of chapter to employees of
14 [~~TT~~]the FSM Government.

15 Nothing in chapter 1 of this title, known as the Protection
16 of Resident Workers Act, shall be construed to exempt
17 employees of the [~~Trust Territory~~]FSM Government in seeking
18 employment during hours not engaged in the performance of
19 Government employment, and employers other than the [~~Trust~~
20 ~~Territory~~]FSM Government in hiring such employees or
21 prospective employees, from complying fully with the
22 provisions of such chapter, and such chapter shall be
23 construed to apply to such persons for all purposes, except
24 insofar as rendered inapplicable by a specific provision
25 thereof."

1 Section 9. Section 131 of Title 51 of the Code of the
2 Federated States of Micronesia (Annotated), as amended, is
3 hereby amended to read as follows:

4 "Section 131. Application required.

5 Any employer who desires to import alien workers for
6 employment in the [~~Trust Territory~~]FSM shall file an
7 application with the Employment Service stating the place
8 and nature of the employer's business, the number of
9 workers desired and occupational qualifications of such
10 workers, the wages to be paid such workers, the date on
11 which such workers are desired, the [~~district~~]state or
12 [~~districts~~]states in which such workers are desired, and
13 any other information the Employment Service may require or
14 which the employer may deem appropriate."

15 Section 10. Section 133 of Title 51 of the Code of the
16 Federated States of Micronesia (Annotated), as amended, is hereby
17 amended to read as follows:

18 "Section 133. Publication of vacancy.

19 (1) In the event of inability to supply sufficient
20 qualified resident workers pursuant to section 132 of this
21 chapter, the Employment Service shall cause the existence
22 of the vacancies and other applicable information regarding
23 the jobs to be publicized.

24 (2) The publication shall include notice to its field
25 offices, posting of notice in public places in the

1 [~~districts~~]states, the use of radio and newspaper media
2 when appropriate, and such other means as the Employment
3 Service may determine to be feasible.

4 (3) No nonresident worker shall be permitted to be
5 employed unless such publicity shall have been given:

6 (a) for a period of 30 days, in the [~~district~~]state
7 or [~~districts~~]states where such employment is to take
8 place; and

9 (b) for a period of 15 days, beginning with the
10 sixteenth day after the first day on which the first
11 advertisement was made in the ~~district~~state or
12 [~~districts~~]states in which employment is to take
13 place, in all other [~~districts~~]states of the [~~Trust~~
14 ~~Territory~~]FSM.

15 (4) Upon the expiration of 30 days after the first
16 advertisement by the Employment Service, the employment
17 service officer, upon a finding that there are no
18 occupationally qualified resident workers available to fill
19 all or some of the vacancies applied for, shall notify the
20 chief of those positions for which no resident workers are
21 available."

22 Section 11. Section 134 of Title 51 of the Code of the
23 Federated States of Micronesia (Annotated), as amended, is hereby
24 amended to read as follows:

25 "Section 134. Determination to permit employment of

1 nonresident workers.

2 (1) Upon receipt of notice from the employment service
3 officer of those positions which the employer requires, and
4 for which no resident workers are available, the chief
5 shall determine whether the employment of such nonresident
6 workers will be in the best interests of the [~~Trust~~
7 ~~Territory~~]FSM, and for what period of time and under what
8 conditions the employer should be authorized to hire
9 nonresident workers for those positions.

10 (2) Within seven days after the receipt of notice from the
11 employment service officer, he shall notify the employer of
12 his findings.

13 Section 12. Section 135 of Title 51 of the Code of the
14 Federated States of Micronesia (Annotated), as amended, is
15 hereby amended to read as follows:

16 "Section 135. Nonresident employment agreements.

17 (1) For those positions for which the chief has determined
18 that nonresident workers may be hired, he shall require
19 that a nonresident employment agreement be entered into
20 between the employer and the [~~Trust Territory~~]FSM
21 Government, which agreement shall authorize the employer to
22 hire nonresident workers.

23 (2) The agreement shall be signed by the chief, as
24 representative of the [~~Trust Territory~~]FSM Government, and
25 by the employer or his authorized representative.

(3) The agreement shall contain the following provisions, in addition to any other provisions the chief deems necessary in the circumstances:

(a) a statement that the employer requires such nonresident workers for immediate employment;

(b) a statement of the wages the employer is paying or intends to pay the nonresident workers for each occupational classification he is importing an alien to fill;

(c) a statement that the employer agrees to comply with the minimum employment conditions and other requirements consistent with the provisions of this chapter and other applicable laws of the [~~Trust Territory~~]FSM;

(d) a statement of the period of time for which the employer will be allowed to fill each position with a nonresident worker before he must attempt to fill the position with a resident worker by filing a new application with the Employment Service; and

(e) a statement of the employer's responsibility for return transportation to the place of origin of each nonresident worker so employed.

(4) Upon execution of the agreement required under subsections (1) through (3) of this section, the chief shall notify the [~~Office of Immigration Control~~] Division of

Immigration and Passport Services.

(5) The chief shall provide each nonresident worker covered by this chapter with a copy of the nonresident workers' agreement which authorized his employer to hire him.

Section 13. Section 136 of Title 51 of the Code of the Federated States of Micronesia (Annotated), as amended, is hereby amended to read as follows:

"Section 136. Effective date of nonresident employment agreements.

In addition to the requirements imposed by section 135 of this chapter, no nonresident employment agreement shall be effective until it has been signed by the [~~District Administrator~~]Governor of the [~~district~~]state in which such employment, or the major portion thereof, is to be performed by the nonresident worker in question."

Section 14. Section 137 of Title 51 of the Code of the Federated States of Micronesia (Annotated), as amended, is hereby amended to read as follows:

"Section 137. Expiration of nonresident employment agreements for failure of performance.

Any nonresident employment agreement entered into by the chief of labor with any employer pursuant to the requirements of section 135 of this chapter shall expire 60 days from the date thereof if the employer fails to hire

1 nonresident workers within that period, except as to the
2 employment of any nonresident worker, as defined in this
3 title, who is employed and present in the [~~Trust~~
4 ~~Territory~~]FSM within 60 days from such date."

5 Section 15. Section 139 of Title 51 of the Code of the
6 Federated States of Micronesia (Annotated), as amended, is
7 hereby amended to read as follows:

8 "Section 139. Entry requirements.

9 Prior to entry of a nonresident worker into the [~~Trust~~
10 ~~Territory~~]FSM for employment under the provisions of this
11 chapter, the following requirements shall be met:

12 (1) Each nonresident worker shall present to the chief or
13 his representative a sworn affidavit, on a form issued by
14 the [~~Trust Territory~~]FSM Government, executed by him, and
15 such other evidence as the chief may require, which
16 indicates a minimum of two years' experience in the line of
17 work for which he is being hired, marital status, and if
18 married the name of the spouse, number and ages of
19 dependent children, and the addresses of the spouse and
20 dependent children, and that he has not been convicted of a
21 felony or other crime involving moral turpitude; and

22 (2) The employer of a nonresident worker shall present to
23 the chief or his representative a copy of the nonresident
24 worker's contract of employment, which shall include a
25 statement of job title, of the duration of the contract,

1 location of work, weekly hours schedule, wage scale for
2 regular and overtime work, any deductions for living costs,
3 and such other information or contractual provisions as
4 required by the chief."

5 Section 16. Section 141 of Title 51 of the Code of the
6 Federated States of Micronesia (Annotated), as amended, is
7 hereby amended to read as follows:

8 "Section 141. Outside employment for compensation.

9 (1) It shall be unlawful for any nonresident worker
10 admitted into the [~~Trust Territory~~]FSM under the provisions
11 of this title to engage in any other employment for
12 compensation or for profit other than for the employer who
13 has contracted with the Chief for the employment of such
14 nonresident worker in the [~~Trust Territory~~]FSM, except in
15 accordance with the provisions of this section.

16 (2) A nonresident worker who is under a labor contract
17 with an employer may work for or be employed by a second
18 employer during the term of such contract if all of the
19 following conditions are met:

20 (a) the nonresident worker has filed an "Application
21 for Permission to Engage in Additional Employment for
22 Compensation or Profit" with the Chief, which
23 application shall be in the form required by the Chief
24 in regulations issued pursuant to section 102(1) of
25 title 17 of this code;

(b) the original employer and the prospective second employer have entered into a "Contract for Services" whereby the first employer agrees to allow the second employer to use the services of the nonresident worker. Such contract shall be filed with the Chief and shall contain, at a minimum, such provisions as the Chief shall, by regulation, require; and

(c) the second employer has met all of the requirements of this chapter for hiring nonresident workers and has paid a fee, the amount of which shall not be less than \$1,000 and shall be set forth in regulations issued pursuant to section 102(1) of title 17 of this code.

(3) Any employment of the nonresident worker in a manner not provided for by this section shall constitute sufficient ground and cause for deportation and the chief of the Division of Labor shall communicate to the Secretary of the Department of Justice any violation of this section and the Secretary shall institute deportation proceedings in accordance with FSM law~~[against the alien worker if in the opinion of the District Administrator such would be in the best interest of the public]~~.

(4) Violation of the provisions of this section by an employer or nonresident worker shall also be subject to penalties prescribed by section 167 of this chapter and

regulations issued pursuant to this chapter."

Section 17. Section 151 of Title 51 of the Code of the Federated States of Micronesia (Annotated), as amended, is hereby amended to read as follows:

"Section 151. [~~Trust Territory~~]FSM Employment Service.

(1) There is hereby established in the Department of [~~Resources and Development~~]Justice a [~~Trust Territory~~]FSM Employment Service.

(2) The [~~Trust Territory~~]FSM Employment Service shall be headed by an employment service officer, who shall report directly to the chief of labor.

(3) The purpose of the establishment of the [~~Trust Territory~~]FSM Employment Service is to create a system of free public employment offices in the [~~Trust Territory~~]FSM for workers seeking employment and for employers seeking workers. The FSM Employment Service shall also be responsible for overseeing the recruitment of FSM citizens for employment outside the FSM.

(4) The [~~Trust Territory~~]FSM Employment Service shall have its main office in [~~Trust Territory headquarters~~]Division of Labor under the Department of Justice in Palikir, [~~and shall have field offices in each of the administrative districts~~].

(5) The [~~Trust Territory~~]FSM Employment Service shall have such powers, duties, and functions as may be established by

1 this chapter, other provisions of this code, any
2 regulations promulgated pursuant to this chapter, and the
3 manual of administration of the [~~Trust Territory~~]FSM
4 Government."

5 Section 18. Section 152 of Title 51 of the Code of the
6 Federated States of Micronesia (Annotated), as amended, is
7 hereby amended to read as follows:

8 "Section 152. Functions and duties of Employment Service.
9 For the purpose of this chapter, and without limitations on
10 the scope or extent of powers, duties, or responsibilities
11 vested in it by other provisions of the [~~Trust~~
12 ~~Territory~~]FSM Code, manual of administration, or order of
13 the [~~High Commissioner~~]President, the Employment Service
14 through its employment service officer and [~~district~~]state
15 representative shall:

16 (1) in the placement of workers, assist the chief in
17 determining occupational categories, and, for those
18 occupational categories designated by the chief, perform
19 certification functions regarding minimum standards of
20 qualifications and minimum wage requirements;

21 (2) conduct continuing surveys of manpower needs, assist
22 in preparing training programs, and recommend other
23 measures for alleviating shortages and reducing the need
24 for nonresident workers;

25 (3) oversee, monitor, and review the use of alien workers

1 and all matters related thereto, including but not limited
2 to the following: health, safety, meals, lodging, salaries,
3 working hours and conditions, and specific contractual
4 provisions for labor services;

5 (4) regulate the recruitment of FSM citizens for
6 employment outside the FSM, by promulgating regulations
7 establishing a system of registration of recruiters and by
8 establishing minimum requirements for overseas employment
9 contracts;

10 (5) conduct such investigations as may be necessary to
11 fulfill the provisions of this section and such other
12 duties as may be required by the chief."

13 Section 19. Section 153 of Title 51 of the Code of the
14 Federated States of Micronesia (Annotated), as amended, is
15 hereby amended to read as follows:

16 "Section 153. Functions and duties of the chief.

17 For the purposes of this chapter, and without limitations
18 on the scope or extent of powers, duties, or
19 responsibilities vested in him by other provisions of this
20 code, manual of administration, or order of the ~~High~~
21 ~~Commissioner]~~President, the chief and his [~~district~~state
22 representative shall:

23 (1) enforce the provisions of this chapter and the
24 agreements which the chief enters into with employers
25 concerning the employment of nonresident workers, including

1 the performance of investigatory functions as appropriate
2 thereto;

3 (2) require that employers accept such agreements or
4 conditions for the payment of wages or benefits to
5 nonresident workers as the chief shall determine to be
6 necessary and consistent with the policy and purposes of
7 this chapter and any such agreements or conditions agreed
8 to by an employer shall be legally enforceable in the
9 courts of the [~~Trust Territory~~]FSM, upon action taken by an
10 aggrieved employee or in his behalf by the chief or his
11 [~~district~~]state representative. In any such action taken by
12 the chief or his [~~district~~]state representative on behalf
13 of an aggrieved employee, the chief or his [~~district~~]state
14 representative shall be represented by the Office of the
15 Attorney General of the [~~Trust Territory~~]FSM;

16 (3) establish occupational categories for the occupations
17 to which this chapter is applicable, and, when the chief
18 deems it necessary or desirable, establish minimum
19 standards of qualification procedures, and minimum wage
20 requirements for workers in certain occupational
21 categories;

22 (4) supervise the employment service in furtherance of the
23 objectives of this chapter and in the effectuation of the
24 provisions of this chapter."

25 Section 20. Section 154 of Title 51 of the Code of the

Federated States of Micronesia (Annotated), as amended, is hereby amended to read as follows:

"Section 154. Employer's records.

Each employer hiring employees in the [~~Trust Territory~~]FSM shall keep and present immediately upon demand of the chief or his [~~district~~]state representative and quarterly to the chief and to his [~~district~~]state representative up-to-date records with the following information:

(1) the name, address, age, and legal residence of each of his employees;

(2) the classification and wage rate of each of his employees;

(3) payrolls showing the number of hours worked each week, the compensation earned, and deductions made for each of his employees;

(4) the educational and experiential backgrounds of each of his nonresident employees (to be provided but once by an employer for each nonresident employee working in the [~~Trust Territory~~]FSM);

(5) the number of employment related accidents, name of the injured, and disposition by the employer of the injured employee;

(6) the number and types of illnesses by alien workers, the treatment and disposition of the alien worker, and whether hospitalization was required;

(7) the citizenship, country of origin, and expiration date of entry permit of each alien worker employed; and
(8) a copy of the nonresident workers agreement authorizing the hiring of the alien worker in question."

Section 21. Section 155 of Title 51 of the Code of the Federated States of Micronesia (Annotated), as amended, is hereby amended to read as follows:

"Section 155. Rules and regulation.

The chief, through the Secretary of the Department of Justice, and subject to approval by the [~~High Commissioner~~] President, shall promulgate rules and regulations necessary or appropriate to effectuate the provisions of this chapter. Such rules and regulations shall become effective immediately, or on the date which the chief shall determine, or in accordance with the provisions of the Administrative Procedures Act, and shall have the force and effect of law."

Section 22. Section 161 of Title 51 of the Code of the Federated States of Micronesia (Annotated), as amended, is hereby amended to read as follows:

"Section 161. Authorization to conduct hearings and investigations.

(1) The chief or his [~~district~~] representative is hereby authorized to conduct hearings or investigations as he may deem appropriate and necessary to enforce the provisions of

1 this chapter.

2 (2) In connection with such hearings or investigations,
3 the chief or his [~~district~~] representative may subpoena
4 witnesses, records, and documents."

5 Section 23. Section 162 of Title 51 of the Code of the
6 Federated States of Micronesia (Annotated), as amended, is hereby
7 amended to read as follows:

8 "Section 162. Procedure for hearings and investigations.

9 (1) The chief or his [~~district~~] representative shall upon
10 a sworn affidavit by a person that a violation of this
11 chapter or any rule or regulation issued thereunder has
12 occurred, investigate all complaints, and he shall have the
13 power to schedule a public or closed hearing as he may deem
14 appropriate under the circumstances.

15 (2) Adequate notice shall be given to parties involved in
16 the controversy or investigation should a hearing be
17 scheduled, and opportunity shall be made available to them
18 to present such evidence as they may desire.

19 (3) The [~~district~~] representative of the chief upon
20 conclusion of his investigation or hearing shall have the
21 power to issue an order disposing of the matter. Such order
22 shall be in force and effect until modified, sustained, or
23 repealed by the chief who shall review within 30 days all
24 investigations and hearings conducted [~~on a district~~]at the
25 state level."

Section 24. Section 163 of Title 51 of the Code of the Federated States of Micronesia (Annotated), as amended, is hereby amended to read as follows:

"Section 163. Petition to Court for enforcement.

(1) The chief may petition the Trial Division of the [~~High Court of the Trust Territory~~]Supreme Court of the Federated States of Micronesia for the enforcement of an order issued under the provisions of this chapter, and the appropriate temporary relief or restraining order.

(2) The chief shall file in the Court a transcript of the records in the proceedings, including, where appropriate, the pleading and testimony upon which the order was entered and the findings and order of the chief.

(3) Upon such filing, the Court shall cause notice to be served upon the person against whom the order is directed. Thereupon the Court shall have jurisdiction of the proceeding and may grant such temporary relief or restraining order as it shall deem just and proper, or issue a decree enforcing, modifying and enforcing as so modified, or setting aside in whole or in part, the order of the chief.

(4) In all such actions the chief shall be represented by the Office of the Attorney General of the [~~Trust Territory~~]Federated States of Micronesia."

Section 25. Section 165 of Title 51 of the Code of the

Federated States of Micronesia (Annotated), as amended, is hereby amended to read as follows:

"Section 165. Appeals to Court.

(1) Anyone aggrieved by an order of the chief issued under the provisions of sections 162 or 164 of this chapter may appeal the order to the Trial Division of the [~~High Court of the Trust Territory~~]Supreme Court of the Federated States of Micronesia within ten days following the date of the order.

(2) The commencement of any proceedings in any court shall not operate as a stay of compliance with any provisions of this chapter, or any rules, regulations, or orders issued hereunder.

(3) All findings, decisions, or orders by the chief on questions of fact shall be deemed final if supported by substantial evidence."

Section 26. Section 166 of Title 51 of the Code of the Federated States of Micronesia (Annotated), as amended, is hereby amended to read as follows:

"Section 166. Injunctions.

In addition to any of the other penalties prescribed by this chapter, the Attorney General may bring action in the Trial Division of the [~~High Court of the Trust Territory~~]Supreme Court of the Federated States of Micronesia to enjoin violations of the provisions of this

chapter or any of the rules and regulations issued pursuant thereto."

Section 27. Section 169 of Title 51 of the Code of the Federated States of Micronesia (Annotated), as amended, is hereby amended to read as follows:

"Section 169. Materiality of all information; Sanctions.

(1) All information provided to the Labor Division regarding the application of an alien for employment under this chapter, whether such information is submitted by the employer or the alien, or by another person on behalf of the employer or alien, shall be deemed material to the Labor Division's decision whether to permit such employment.

(2) The furnishing of any false or misleading information by the alien, the employer, or by another person on behalf of the employer or alien, shall be grounds for the Labor Division to deny employment under this chapter and shall be grounds for the imposition of sanctions or administrative penalties pursuant to regulations promulgated pursuant to this chapter."

Section 28. Section 201 of Title 51 of the Code of the Federated States of Micronesia (Annotated), as amended, is hereby amended to read as follows:

"Section 201. Statement of policy.

(1) It is the policy of the [~~Trust Territory~~] Government

1 of the Federated States of Micronesia to insure the health
2 of its citizens, and to prevent the over taxation of its
3 medical and hospital facilities and personnel in the care
4 and treatment of non-~~[Trust Territory]~~ citizens who arrive
5 in the ~~[Trust Territory]~~Federated States of Micronesia in a
6 condition of ill health.

7 (2) To this end, it shall be the practice of the ~~[Trust~~
8 ~~Territory]~~ Government of the Federated States of
9 Micronesia, in accordance with the terms of this chapter:

10 (a) to require each nonresident worker and each
11 member of his family entering the ~~[Trust Territory]~~FSM
12 to have in his possession a certificate of freedom
13 from contagious disease;

14 (b) to conduct a physical examination of every
15 entrant into the ~~[Trust Territory]~~FSM who holds an
16 entry permit for employment in the ~~[Trust~~
17 ~~Territory]~~FSM; and

18 (c) to revoke such entry permit upon a showing that
19 the continued presence of such person in the ~~[Trust~~
20 ~~Territory]~~FSM would violate the statement of intent in
21 this section."

22 Section 29. Section 202 of Title 51 of the Code of the
23 Federated States of Micronesia (Annotated), as amended, is hereby
24 amended to read as follows:

25 "Section 202. Certificate required.

(1) In addition to any other requirements contained in this title or title 50 of this code, every person admitted to the [~~Trust Territory~~]FSM for employment under the provisions of chapter 1 of this title and every person admitted to the [~~Trust Territory~~]FSM as a member of the family of such person shall have in his possession, and thereafter shall keep in his possession, a certificate of freedom from communicable diseases.

(2) Such certificate shall be executed and validated not more than 30 days preceding the date of entry of such person into the [~~Trust Territory~~]FSM by a physician licensed to practice medicine in the country of origin of that person."

Section 30. Section 203 of Title 51 of the Code of the Federated States of Micronesia (Annotated), as amended, is hereby amended to read as follows:

"Section 203. Physical examination required.
Within ten days after his entry into the [~~Trust Territory~~]FSM, each holder of an entry permit which authorizes such person to enter the [~~Trust Territory~~]FSM for the purpose of employment and each member of the family of such person shall be subject to a physical examination to be conducted by or under the auspices of the Department of Health Services of the State the entry permit-holder is entering. The cost of such physical examination shall be

borne by the entry permit-holder, who shall also be responsible for submitting the results of the physical examination to the Division of Labor no later than five days after receiving said results."

Section 31. Section 204 of Title 51 of the Code of the Federated States of Micronesia (Annotated), as amended, is hereby amended to read as follows:

"Section 204. Notification to [~~High Commissioner~~]President for reasons for rejecting permit holder.

(1) The [~~director of the Department of Health Services~~]Chief of Labor shall, within a reasonable time after the completion of the physical examination required in section [~~202~~]203 of this chapter, and after consultation with the Secretary of the Department the Department of Health and Social Affairs, notify the [~~High Commissioner~~]President as to any medical reasons why the entry permit holder or the member of the family of the entry-permit holder should not be allowed to remain in the [~~Trust Territory~~]FSM, if any, and shall state the basis of his judgment.

(2) No such notification shall be made if the continued presence of the entry permit holder or the member of the family of the entry permit holder in the [~~Trust Territory~~]FSM would not, in all medical probability, result in substantial danger to the health of the inhabitants of

1 the [~~Trust Territory~~]FSM or in a need for prolonged medical
2 care and treatment while in the [~~Trust Territory~~]FSM.

3 (3) Such notification shall be made upon any positive
4 finding of any contagious disease, including any social
5 disease."

6 Section 32. Section 205 of Title 51 of the Code of the
7 Federated States of Micronesia (Annotated), as amended, is
8 hereby amended to read as follows:

9 "Section 205. Revocation of entry permit.

10 Upon notification from the director of Health Services to
11 the [~~High Commissioner~~]President as provided in section 203
12 of this chapter, the [~~High Commissioner~~]President shall
13 revoke the entry permit of the entry-permit holder or the
14 member of his family in question on the grounds that his
15 continued presence in the [~~Trust Territory~~]FSM would not be
16 in the best interests of the ~~Trust Territory~~]FSM."

17 Section 33. Section 207 of Title 51 of the Code of the
18 Federated States of Micronesia (Annotated), as amended, is
19 hereby amended to read as follows:

20 "Section 207. Regulations.

21 The [~~High Commissioner~~]President or his designee shall have
22 the power, in [~~the manner which is or may be provided by~~
23 ~~law~~]accordance with the Administrative Procedures Act under
24 Title 17 of the Code of the Federated States of Micronesia,
25 to establish and promulgate regulations not inconsistent

1 with this chapter, [~~and may delegate any or all of his~~
2 ~~responsibilities under this section to chief of~~
3 ~~Immigration, the chief of Labor, the director of Health~~
4 ~~Services, or any of them]."~~

5 Section 34. Section 302 of Title 51 of the Code of the
6 Federated States of Micronesia (Annotated), as amended, is
7 hereby amended to read as follows:

8 "Section 302. Regional and international cooperation and
9 exchange of information.

10 (1) The chief of the Labor Division, Department of
11 [~~Resources and Development~~]Justice, shall initiate and
12 maintain with the several nations of the Pacific area who
13 are participants in the Conference of South Pacific Labour
14 Ministers, through the Department of Labour, Commonwealth
15 of Australia, as well as with any other nation
16 internationally, a program of the periodic exchange of
17 information concerning labor [~~in the Trust Territory~~],
18 including but not limited to the exchange of information
19 concerning training programs and facilities, applicable
20 legislation and statistics, labor development and training,
21 skill certification, qualifications matching, and related
22 areas.

23 (2) The chief shall maintain a file of all information
24 received from other such countries, which shall be compiled
25 and transmitted to the Congress of the Federated States of

1 Micronesia as part of the annual report of the division
2 required by this chapter."

3 Section 35. Section 303 of Title 51 of the Code of the
4 Federated States of Micronesia (Annotated), as amended, is
5 hereby amended to read as follows:

6 "Section 303. Exchange of labor personnel.

7 The chief of Labor is authorized to explore with other
8 countries of the Pacific area who are participants in the
9 Conference of South Pacific Labour Ministers, programs for
10 the exchange of labor-administration personnel for training
11 and experience in the field of labor administration. To
12 this end, the chief is authorized to implement the program
13 by providing for the periodic exchange of division
14 personnel, and for the in-service training of labor-
15 administration personnel from other such countries in the
16 [~~Trust Territory~~]Pacific region."

17 Section 36. Section 304 of Title 51 of the Code of the
18 Federated States of Micronesia (Annotated), as amended, is
19 hereby amended to read as follows:

20 "Section 304. United States Department of Labor funds and
21 programs.

22 (1) The chief of the Labor Division is authorized and
23 directed to develop and maintain a list of all programs and
24 services offered by the United States Department of Labor.

25 (2) He shall transmit copies of the list to the Congress

1 of the Federated States of Micronesia as a part of the
2 annual report of the division required by this chapter,
3 together with a statement as to the advisability of the
4 applicability of each program or service to the [~~Trust~~
5 ~~Territory~~]FSM, and a statement of the current eligibility
6 of the [~~Trust Territory~~]FSM for participation in these
7 programs and services.

8 (3) He shall take the steps as may be appropriate, upon
9 the request of the Congress of the Federated States of
10 Micronesia, to secure the extension of these program and
11 services to the [~~Trust Territory~~]FSM."

12 Section 37. Section 305 of Title 51 of the Code of the
13 Federated States of Micronesia (Annotated), as amended, is
14 hereby amended to read as follows:

15 "Section 305. Apprenticeship training program.

16 (1) Not later than September 1, 1975, the chief of the
17 Labor Division shall submit to the Congress of the
18 Federated States of Micronesia and to the [~~High~~
19 ~~Commissioner~~]President a program for an apprenticeship
20 training program, whereby employers would be reimbursed for
21 a portion of the salary of an apprentice by the [~~Trust~~
22 ~~Territory~~]FSM Government until these apprentices have been
23 fully qualified in their trade.

24 (2) This program shall be limited to trades which the
25 chief believes essential to the future development needs of

1 the Federated States of Micronesia, and shall include, but
2 not be limited to, programs in the fields of construction,
3 agriculture, and mechanics.

4 (3) This program shall include a statement of the funds
5 necessary to implement the program, together with a request
6 for the funds.

7 (4) To the maximum extent possible, the chief is
8 authorized and directed to seek funding for the program out
9 of the regular operating budget of the division."

10 Section 38. Section 306 of Title 51 of the Code of the
11 Federated States of Micronesia (Annotated), as amended, is
12 hereby amended to read as follows:

13 "Section 306. Annual report.

14 The chief of the Labor Division shall, not later than
15 January 31 of each year, transmit to the Congress of the
16 Federated States of Micronesia and to the [~~High~~
17 ~~Commissioner~~]President of the [~~Trust Territory~~]FSM a
18 complete report of the activities of the division over the
19 previous year, together with the other information as shall
20 be required by this or other chapters to be included in the
21 report. The report shall also contain recommendations for
22 legislation by the Congress of the Federated States of
23 Micronesia, in particular, legislation devoted to the
24 development of labor skills of citizens of the [~~Trust~~
25 ~~Territory~~]FSM."

Section 39. Section 307 of Title 51 of the Code of the Federated States of Micronesia (Annotated), as amended, is hereby amended to read as follows:

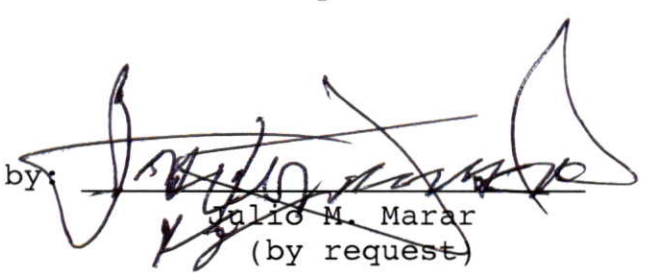
"Section 307. Minimum Labor Standards~~[Conformance of applicable United States laws]~~.

The chief of the Labor Division shall establish, maintain and enforce minimum labor standards consistent with those standards developed under the auspices of the International Labour Organization (ILO) for the protection of both employers and employees in the FSM, in particular, but not limited to, the maritime sector.~~[The chief of the Labor Division shall carry out the provisions of this chapter in conformance with the requirements of part II of the United States Department of Interior Order No. 2918, dated September 27, 1968, as amended, and such other United States laws, orders, and regulations applicable to the Trust Territory]."~~

Section 40. This act shall become law upon approval by the President of the Federated States of Micronesia or upon its becoming law without such approval.

Date: 8/15/25

Introduced by:


Julio M. Marar
(by request)