



*The President*  
*Palikir, Pohnpei*  
*Federated States of Micronesia*

July 20, 2020

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 21<sup>st</sup> FSM Congress for the passage of this act during the previous special session.

Sincerely,

A handwritten signature in black ink, appearing to read "David W. Panuelo", written over a horizontal line.

David W. Panuelo  
President

xc: Chief Justice, FSM Supreme Court



Office of the Chief Clerk

CONGRESS OF THE FEDERATED STATES OF MICRONESIA

P.O. Box PS 3

Palikir, Sokehs Pohnpei State, FM 96941

Tel: (691) 320-2324 / 2338 Fax: (691) 320-5122

July 10, 2020

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

RECEIVED  
JUL 10 2020  
Office of the  
President FSM

Dear President Panuelo:

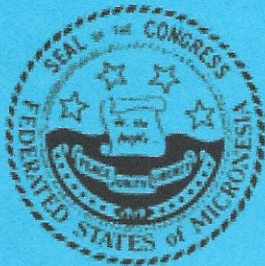
I have the honor to transmit herewith Congressional Act No. 21-160, "AN ACT TO FURTHER AMEND SECTION 805 OF TITLE 54 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA (ANNOTATED), AS AMENDED BY PUBLIC LAW NO. 18-107, TO EXEMPT THE EXTRA 20% OF THE SHARE OF REVENUES COLLECTED TO THE NATIONAL GOVERNMENT 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,

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

Enclosures

ACT NO. 21-160  
(CONGRESSIONAL BILL NO. 21-236)



TWENTY-FIRST CONGRESS OF THE  
FEDERATED STATES OF MICRONESIA  
SIXTH SPECIAL SESSION  
JULY 1 - 10, 2020

PUBLIC LAW No. 21-152

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## 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.

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INTRODUCED BY SENATOR: WESLEY W. SIMINA

DATE: JUNE 30, 2020

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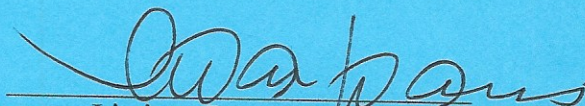
REFERRED TO: COMMITTEE ON WAYS AND MEANS

WITHDRAWN – JULY 8, 2020

FIRST READING: – JULY 8, 2020

SECOND READING: – JULY 9, 2020

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Liwiana Ramon Ioanis  
Chief Clerk, FSM Congress



Office of the Speaker

CONGRESS OF THE FEDERATED STATES OF MICRONESIA

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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.

A handwritten signature in black ink, appearing to read "Wesley W. Simina".

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

A handwritten signature in black ink, appearing to read "Liwiana Ramon Ioanis".

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

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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 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:

5                   "Section 805. Distribution of revenues.

6                   (1) Distribution to the States.

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

15                           (b) Subject to Part (e) below, an additional  
16 twenty percent of the total of all other net taxes  
17 collected pursuant to sections 121, 141, and 221 of

1           this title after the Treasurer of the Federated  
2           States of Micronesia has administered distribution  
3           under part (a) shall be deposited by the treasurer of  
4           the Federated States of Micronesia into the State  
5           sub-account "A" of the FSM Trust Fund on behalf of  
6           the National Government for the State government to  
7           which the taxes are attributable. The additional  
8           twenty percent (20%) deposited by the National  
9           Government into individual States sub-account A may  
10          not be withdrawn by the States.

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

22                   (d) Except as specifically provided in parts  
23          (a), (b) and (c) of this subsection, all net taxes  
24          collected shall be part of the General Fund of the  
25          Federated States of Micronesia, subject to

1 appropriation by Congress pursuant to title 55 of the  
2 Code of the Federated States of Micronesia.

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

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

11 Section 2. This act will come into effect on October 1,  
12 2015.

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

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July 20<sup>th</sup> \_\_\_\_\_, 2020



David W. Panuelo  
President  
Federated States of Micronesia