



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

May 27, 2021

PRESIDENTIAL COMM. NO. 22-19  
FSM CONGRESS

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

Dear Speaker Simina:

I am pleased to transmit the following congressional act, which I have signed to become Public Law No. 22-02:

Congressional Act No. 22-04 , entitled: "AN ACT TO AMEND PUBLIC LAW NO. 21-199 TO CORRECT A TECHNICAL ERROR IN THE NUMBERING OF THE NEW SECTION CREATED BY PUBLIC LAW NO. 21-199, AND FOR OTHER PURPOSES."

I take this opportunity express my appreciation to the 22<sup>nd</sup> FSM Congress for the passage of the act.

Sincerely,

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

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PRESIDENTIAL COMM. NO. 22-19  
FSM CONGRESS

May 20, 2021

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

RECEIVED  
MAY 20 2021  
Office of the  
President FSM

Dear President Panuelo:

I have the honor to transmit herewith Congressional Act No. 22-04, "AN ACT TO AMEND PUBLIC LAW NO. 21-199 TO CORRECT A TECHNICAL ERROR IN THE NUMBERING OF THE NEW SECTION CREATED BY PUBLIC LAW NO. 21-199, AND FOR OTHER PURPOSES", which was passed by the Twenty-Second Congress of the Federated States of Micronesia, First Regular Session, 2021, by a two-thirds vote of all the State delegations as required and as duly certified.

Sincerely yours,

Jessicalynn Reyes  
Chief Clerk, Congress of the  
Federated States of Micronesia

Enclosures





PRESIDENTIAL COMM. NO. 22-19  
FSM CONGRESS

TWENTY-SECOND CONGRESS OF THE  
FEDERATED STATES OF MICRONESIA  
FIRST REGULAR SESSION  
MAY 11 – 30, 2021

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## An Act

TO AMEND PUBLIC LAW NO. 21-199 TO CORRECT A TECHNICAL ERROR IN THE  
NUMBERING OF THE NEW SECTION CREATED BY PUBLIC LAW NO. 21-199, AND  
FOR OTHER PURPOSES.

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INTRODUCED BY SENATOR: WESLEY W. SIMINA

DATE: MAY 14, 2021

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REFERRED TO: COMMITTEE ON RESOURCES AND DEVELOPMENT

WITHDRAWN – MAY 18, 2021

FIRST READING: – MAY 18, 2021

SECOND READING: – MAY 19, 2021

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A handwritten signature in black ink, appearing to read "Jessicalynn Reyes", is written over a horizontal line.

Jessicalynn Reyes  
Chief Clerk, FSM Congress







Office of the Speaker

CONGRESS OF THE FEDERATED STATES OF MICRONESIA

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PRESIDENTIAL COMM. NO. 22-19  
FSM CONGRESS

ACT NO. 22-04

(CONGRESSIONAL BILL NO. 22-16)

We hereby certify that on May 19 the foregoing act passed Second and Final Reading of the Twenty-Second Congress of the Federated States of Micronesia, First Regular Session, 2021, 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 "Jessicalynn Reyes".

Jessicalynn Reyes  
Chief Clerk  
Congress of the  
Federated States of Micronesia

TWENTY-SECOND CONGRESS OF THE FEDERATED STATES OF MICRONESIA

FIRST REGULAR SESSION, 2021

CONGRESSIONAL BILL NO. 22-16

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AN ACT

To amend Public Law No. 21-199 to correct a technical error in the numbering of the new section created by Public Law No. 21-199, and for other purposes.

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

1       Section 1. Purpose. The purpose of this Act is to correct a  
2 technical error in the numbering of the new section created by  
3 Public Law No. 21-199.

4       Section 2. Section 1 of Public Law No. 21-199 is hereby  
5 amended to read as follows:

6           "Section 1. Chapter 10 of title 37 of the Code of the  
7 Federated States of Micronesia (Annotated), as amended,  
8 is hereby further amended by adding a new section 1021  
9 to read as follows:

10          'Section 1021. Dormancy.

11           (1) A Captive Insurance Company that elects to  
12 temporarily cease conducting insurance business pursuant  
13 to this chapter may apply to the Commissioner to place  
14 its insurance license in a dormant status.

15           (2) While in a dormant status, the Captive Insurance  
16 Company may not transact insurance business, including  
17 the issuance of new contracts of insurance or maintain  
18 any active contracts of insurance or maintain any active  
19 contracts of insurance or reinsurance in force.

(3) The Captive Insurance Company may continue to pay claims on any contracts of insurance or reinsurance that have expired or terminated.

(4) While in dormant status:

(a) the requirements of sections 1003(2)(a) and 1003(3) shall not apply to the Captive Insurance Company except that any records of the Captive Insurance Company must be provided to the Commissioner upon request;

(b) the requirements of section 1010 shall only apply to the first reports due following the Captive Insurance Company's placement in dormant status and not apply thereafter while the Captive Insurance Company continuously remains in dormant status; and

(c) the Commissioner may elect to defer the requirements of section 1011 until such time as the Captive Insurance Company is no longer in a dormant status.

(5) The Commissioner may grant a waiver to the requirements of sections 1007, 1008, and 1013 of the title to a Captive Insurance Company in dormant status if it can certify to the satisfaction of the Commissioner that it is not subject to any outstanding insurance liabilities on any expired or terminated policies.



(6) A Captive Insurance Company under dormant status may apply to the Commissioner for reinstatement upon demonstrating to the Commissioner that it is in full compliance with all applicable laws and regulations. The reinstated Captive Insurance Company's first filed report of its financial conditions and audited financial statements must include all period of time back to the coverage period of the last filed reports."

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.

May 27th, 2021



David W. Panuelo  
President  
Federated States of Micronesia