A BILL FOR AN ACT

To amend title 51 of the Code of the Federated States of Micronesia, by repealing sections 138 and 307, by amending sections 113 to 115, 121 and 122, 131, 133 to 134, 136, 137 and 139, 141, 151, 153 to 155, 161 to 163, 165, 166 and 169, 201 to 205 and 207, 302 to 306 to delete all references to the Trust Territory, instrumentalities and officials, and inserting the Federated States of Micronesia in lieu thereof; by amending sections 112 to redefine some of the terms therein; by amending section 135 to create a requirement that employers pay in advance the return airfares of non-citizen employees; by amending section 142 to eliminate the requirement that non-citizen employees leave the FSM before they are employed by new employers; by adding a new section 143 to establish a time period for requesting extension of work permits; by amending section 152 to include regulation of recruitment of FSM citizens to the duties of the employment services; by adding a new section 170 to authorize the chief to issue citations and impose fines; and for other purposes.

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

Section 1. Section 112 of title 51 of the Code of the Federated States of Micronesia is hereby amended to read as follows:

"Section 112. Definitions. 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
Immigration and Labor within the Department of
[Resources and Development]Justice.

[(3) 'District representative' means the district employment service officer, or any other person designated by the chief to act on his behalf in the district in which there is no district employment service officer.]}

[(4) (3) 'Employer' means any individual, partnership, association, or corporation hiring foreign employees to work in the [Trust Territory] Federated States of Micronesia or hiring FSM citizens for employment outside the FSM, [and any individual who has in his employ a domestic servant,] but does not include any branch or agency of the [Trust Territory Government or of the United States] Government of the Federated States of Micronesia.

[(5) (4) 'Employment service' means the [Trust Territory] Federated States of Micronesia Employment Service established under section 151 of this chapter.

[(6) (5) 'Employment service officer' means the [official] Immigration and Labor officer who is [the head of the Trust Territory] designated by the Secretary of Justice to head the Employment Service established under section 151 of this chapter.

[(7) (6) 'Nonresident worker' means any person who is
capable of performing services or labor and who is not a citizen of the Federated States of Micronesia or an immigrant alien admitted to the Federated States of Micronesia for permanent residence under the provisions of title 50 of this Code, including persons acting in a professional, managerial, or executive capacity.

[48] (7) 'Recruitment' means the hiring of FSM citizens for employment outside the FSM.

(8) 'Resident worker' means any person who is capable of performing services or labor and who is a citizen of the Federated States of Micronesia or an immigrant alien admitted to the Federated States of Micronesia for permanent residence under the provisions of title 50 of this Code, including persons acting in a professional, managerial, or executive capacity.

(9) 'State representative' means the immigration officer designated by the Secretary to act as the Employment Service officer for that state, or the officer in-charge of a state personnel or labor office."

Section 2. Section 113 of title 51 of the Code of the Federated States of Micronesia is hereby amended to read as follows:

"Section 113. Statement of policy. The Congress of the
Federated States of Micronesia finds and declares that it is essential to a balanced and stable economy in the Federated States of Micronesia that [Trust Territory] Federated States of Micronesia citizen workers be given preference in employment in occupations and industries in the [Trust Territory] Federated States of Micronesia, and that the public interest requires that the employment of non-citizen workers in such occupations and industries not impair the wages and working conditions of [Trust Territory] Federated States of Micronesia workers. The Congress of the FSM further finds and declares that the active recruitment of FSM citizens by domestic and international agencies to work overseas is a matter of great national concern, and that many of the FSM citizens recruited in the FSM do not have sufficient understanding of their legal rights and responsibilities."

Section 3. Section 114 of title 51 of the Code of the Federated States of Micronesia is hereby amended to read as follows:

"Section 114. Preference. Resident workers shall be given preference in employment in the [Trust Territory] Federated States of Micronesia 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 4.  Section 115 of title 51 of the Code of the Federated States of Micronesia is hereby amended to read as follows:

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

(1) The [Trust Territory] Government of the Federated States of Micronesia 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 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 this Code, from his place of employment with such contractor."
Section 5. Section 121 of title 51 of the Code of the Federated States of Micronesia 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 Federated States of Micronesia for a period of time not to exceed 90 days.

(2) If the employer bringing in such temporary employees to the Trust Territory Federated States of Micronesia finds that their services are needed for a period of time exceeding 90 days, he may apply to the chief for an extension of the exemption, and the chief may grant such extension for an additional period of time not to exceed 90 days if he finds that the extension is reasonable.

(3) The chief may grant more than one extension, but the total time period, including any extension, such temporary employee may remain in the Trust Territory Federated States of Micronesia under temporary employee status shall not exceed 180 days."
Section 6. Section 122 of title 51 of the Code of the Federated States of Micronesia is hereby amended to read as follows:

"Section 122. Application of chapter to employees of [Trust Territory] Federated States of Micronesia Government. Nothing in chapter 1 of this title, known as the Protection of Resident Workers Act, shall be construed to exempt employees of the [Trust Territory] Government of the Federated States of Micronesia in seeking employment during hours not engaged in the performance of government employment, and employers other than the [Trust Territory] Government of the Federated States of Micronesia in hiring such employees or prospective employees, from complying fully with the provisions of such chapter, and such chapter shall be construed to apply to such persons for all purposes, except insofar as rendered inapplicable by a specific provision thereof."

Section 7. Section 131 of title 51 of the Code of the Federated States of Micronesia is hereby amended to read as follows:

"Section 131. Application required. Any employer who desires to import alien workers for employment in the [Trust Territory] Federated States of Micronesia, or to hire FSM citizens for employment outside the FSM, shall
file an application with the Employment Service stating
the place and nature of the employer’s business, the
number of workers desired and occupational
qualifications of such workers, the wages to be paid
such workers, the date on which such workers are
desired, the [district] state or [districts] states in
which such workers are desired, and any other
information the Employment Service may require or which
the employer may deem appropriate or as required by
regulation."

Section 8.  Section 133 of title 51 of the Code of the
Federated States of Micronesia is hereby amended to read as
follows:

"Section 133.  Publication of vacancy.

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

(2) The publication shall include posting of notice
in public places in the [districts] states, the use of
radio and newspaper media when appropriate, and such
other means as the Employment Service may determine to
be feasible.

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

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

   (b) for a period of 15 days, beginning with the sixteenth day after the first day on which the first advertisement was made in the [district] state or [districts] states in which employment is to take place, in all other [districts] states of the [Trust Territory] Federated States of Micronesia.

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

Section 9. Section 134 of title 51 of the Code of the Federated States of Micronesia is hereby amended to read as follows:

"Section 134. Determination to permit employment of nonresident workers.

   (1) Upon receipt of notice from the employment service officer of those positions which the employer requires, and for which no resident workers are
available, the chief shall determine whether the
employment of such nonresident workers will be in the
best interests of the [Trust Territory] Federated States
of Micronesia, and for what period of time and under
what conditions the employer should be authorized to
hire nonresident workers for those positions.

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

Section 10. Section 135 of title 51 of the Code of the
Federated States of Micronesia is hereby amended to read as
follows:

"Section 135. Nonresident employment agreements.

(1) For those positions for which the chief has
determined that nonresident workers may be hired, he
shall require that a nonresident employment agreement be
entered into between the employer and the [Trust
Territory] Government of the Federated States of
Micronesia, which agreement shall authorize the employer
to hire nonresident workers.

(2) The agreement shall be signed by the chief, as
representative of the [Trust Territory] Government of
the Federated States of Micronesia, and 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] Federated States of Micronesia;

(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 employee so employed.] a deposit with the chief of a bond in the amount equivalent to the return airfare of each nonresident worker to his point of hire. Any payment so made pursuant to this subsection (3)(e) of this section shall be deposited in a separate account
with the Secretary of Finance and Administration for the
sole purpose of repatriating those nonresident workers
for whom such payments were made.

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

(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 11. Section 136 of title 51 of the Code of the
Federated States of Micronesia 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 12. Section 137 of title 51 of the Code of the
Federated States of Micronesia 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, except as to the employment of any nonresident worker, as defined in this title who is employed and present in the [Trust Territory] Federated States of Micronesia within 60 days from such date."

Section 13. Title 51 of the Code of the Federated States of Micronesia is hereby amended by repealing section 138 and adding a new section 138 to read as follows:


(1) The chief shall provide each nonresident worker covered by this chapter with a nonresident worker's identification certificate.

(2) The identification certificate shall contain the nonresident worker's name, his employer's name, his job classification, his legal residence, his country of origin and citizenship, his point of hire, the date of expiration of his entry permit, and the number of the nonresident worker's agreement which authorized his employer to hire him.

(3) The nonresident worker shall be required to keep such certificate on his person at all times."
Section 14. Section 139 of title 51 of the Code of the Federated States of Micronesia is hereby amended to read as follows:

"Section 139. **Entry requirements.** Prior to entry of a nonresident worker into the [Trust Territory] Federated States of Micronesia for employment under the provisions of this chapter, the following requirements shall be met:

(1) Each nonresident worker shall present to the chief or his representative a sworn affidavit, on a form issued by the [Trust Territory] Government of the Federated States of Micronesia, executed by him, and such other evidence as the chief may require, which indicates a minimum of 2 years experience in the line of work for which he is being hired, marital status, and if married the name of the spouse, number and ages of dependent children, and the addresses of the spouse and dependent children, and that he has not been convicted of a felony or other crime involving moral turpitude; and

(2) The employer of a nonresident worker shall present to the chief or his representative a copy of the nonresident worker’s contract of employment, which shall include a statement of job title, of the duration of the contract, location of work, weekly hours schedule, wage
scale for regular and overtime work, any deductions for living costs, and such other information or contractual provisions as required by the chief."

Section 15. Section 141 of title 51 of the Code of the Federated States of Micronesia is hereby amended to read as follows:

"Section 141. Outside employment for compensation prohibited.

(1) It shall be unlawful for any nonresident worker admitted into the Federated States of Micronesia under the provisions of this title to engage in any other employment for compensation or for profit other than for the employer who has contracted with the chief for the employment of such nonresident worker in the Federated States of Micronesia.

(2) Any employment of the nonresident worker in the manner prohibited under this section shall constitute sufficient ground and cause for deportation and the chief of the Division of Labor shall communicate to the Secretary of Justice any violation of this section and the Attorney General shall institute deportation proceedings against the alien worker if in the opinion of the Secretary of Justice such action would be in the best interest of the public. 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 title."

Section 16. Section 142 of title 51 of the Code of the
Federated States of Micronesia is hereby amended to read as
follows:

"Section 142. Change of employment. No nonresident
worker who is under a labor contract with an employer
shall work for or be employed by any other employer
during the term of such contract. Before a nonresident
worker can work for or be employed by an employer
different than his previous employer, the new employer
must first [he shall first be required to leave the
Federated States of Micronesia] satisfy the requirements
of section 135 herein and the previous employer agrees
in writing that the nonresident worker may change
employment."

Section 17. Title 51 of the Code of the Federated States of
Micronesia is hereby amended by adding a new section 143 to read
as follows:

"Section 143. Request for extension of work permits.
A request for extension of a work permit shall be
submitted to the chief at least 45 days before the
expiration of the work permit. A fee shall be charged
to extend each work permit, the amount to be determined
Section 18. Section 151 of title 51 of the Code of the Federated States of Micronesia is hereby amended to read as follows:


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

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

(3) The purpose of the establishment of the [Trust Territory] Federated States of Micronesia Employment Service is to create a system of free public employment [offices] services in the [Trust Territory] Federated States of Micronesia for workers seeking employment and for employers seeking workers.

(4) The [Trust Territory] Federated States of Micronesia Employment Service shall have its main office in the [Trust Territory headquarters] central office of the Division of Immigration and Labor, and shall have field offices in each of the [administrative districts] states.
The [Trust Territory] Employment Service shall have such powers, duties, and functions as may be established by this chapter, other provisions of this Code, and the manual of administration of the [Trust Territory] Federated States of Micronesia Government."

Section 19. Section 152 of title 51 of the Code of the Federated States of Micronesia is hereby amended to read as follows:

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

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

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

(3) oversee, monitor, and review the use of alien workers and all matters related thereto, including but not limited to the following; health, safety, meals, lodging, salaries, working hours and conditions, and specific contractual provisions for labor services;

(4) regulate the recruitment of FSM citizens for employment outside the FSM, through the promulgation of regulations establishing a system of registration of recruiters and establishing minimum requirements for overseas employment contracts;

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

Section 20. Section 153 of title 51 of the Code of the Federated States of Micronesia is hereby amended to read as follows:

"Section 153. Functions and duties of the chief. For the purpose of this chapter, and without limitations on the scope or extent of powers, duties, or responsibilities vested in him by other provisions of [this] the Code of the Federated States of Micronesia, manual of administration, regulations, or order of the [High Commissioner] President, the chief and his [district] state representative shall, under the
direction of the Secretary of Justice:

(1) enforce the provisions of this chapter and the agreements which the chief enters into with employers concerning the employment of nonresident workers, including the performance of investigatory functions as appropriate thereto;

(2) require that employers accept such agreements or conditions for the payment of wages or benefits to nonresident workers as the chief shall determine to be necessary and consistent with the policy and purposes of this chapter and any such agreements or conditions agreed to by an employer shall be legally enforceable in the courts of the [Trust Territory] Federated States of Micronesia, upon action taken by an aggrieved employee or in his behalf by the chief or his [district] state representative. In any such action taken by the chief or his [district] state representative on behalf of an aggrieved employee, the chief or his [district] state representative shall be represented by the Department of Justice [Office of the Attorney General] of the [Trust Territory] Federated States of Micronesia;

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

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

Section 21. Section 154 of title 51 of the Code of the
Federated States of Micronesia is hereby amended to read as
follows:

"Section 154. Employer's records. Each employer hiring
employees in the [Trust Territory] Federated States of
Micronesia 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 Federated States of Micronesia); (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 worker’s agreement authorizing the hiring of the alien worker in question."

Section 22. Section 155 of title 51 of the Code of the Federated States of Micronesia is hereby amended to read as follows: "Section 155. Rules and regulations. The chief, 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] be promulgated pursuant to title 17 of this Code, and shall have the force and effect of law."
Federated States of Micronesia 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 this chapter.

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

Section 24. Section 162 of title 51 of the Code of the Federated States of Micronesia is hereby amended to read as follows:

"Section 162. Procedure for hearings and investigations.

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

(2) [Adequate notice shall be given to all parties involved in the controversy or investigation should a
hearing be scheduled, and opportunity shall be made available to them to present such evidence as they may desire. Conduct of such hearing shall be pursuant to the Administration Procedures Act, title 17 of the FSM Code.

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

Section 25. Section 163 of title 51 of the Code of the Federated States of Micronesia 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] Supreme Court of the [Trust Territory] 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 certified 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
(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 Department of Justice [Attorney General] of the [Trust Territory] Federated States of Micronesia."

Section 26. Section 165 of title 51 of the Code of the Federated States of Micronesia 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] Supreme Court of the [Trust Territory] Federated States of Micronesia as provided for in title 17 of the Code of the FSM. [within 10 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 27. Section 166 of title 51 of the Code of the
Federated States of Micronesia 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] **Department of Justice** may bring
action in the Trial Division of the [High] Supreme Court
of the [Trust Territory] Federated States of Micronesia
to enjoin violations of the provisions of this chapter
or any of the rules and regulations issued pursuant
thereto."

Section 28. Section 169 of title 51 of the Code of the
Federated States of Micronesia is hereby amended to read as
follows:

"Section 169. **Materiality of all information;**
Sanctions.

(1) All information provided to the [Labor] Division
of Immigration and Labor 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.”

Section 29. Title 51 of the Code of the Federated States of Micronesia is hereby amended by adding a new section 170 to read as follows:

"Section 170. Citation. The chief may issue citations and impose fines against employers and employees who have violated any provisions of this chapter pursuant to regulations promulgated by the President or his designee. The provisions of sections 161, 162 and 163 apply should the employers or employees choose to appeal such citations and fines."

Section 30. Section 201 of title 51 of the Code of the Federated States of Micronesia is hereby amended to read as follows:

"Section 201. Statement of Policy.

(1) It is the policy of the Trust Territory Government of the Federated States of Micronesia to
insure the health of its citizens, and to prevent the
over taxation of its medical and hospital facilities and
personnel in the care and treatment of non-[Trust
Territory] citizens who arrive in the [Trust Territory]
Federated States of Micronesia in a condition of ill
health.

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

(a) to require each nonresident worker and each
member of his family entering the [Trust Territory]
Federated States of Micronesia to have in his possession
a certificate of freedom from contagious diseases;

(b) to conduct a physical examination of every
entrant into the [Trust Territory] Federated States of
Micronesia who holds an entry permit for employment in
the [Trust Territory] Federated States of Micronesia;
and

(c) to revoke such entry permit upon a showing
that the continued presence of such person in the [Trust
Territory] Federated States of Micronesia would violate
the statement of intent in this section."

Section 31. Section 202 of title 51 of the Code of the
Federated States of Micronesia is hereby amended to read as

(1) In addition to any other requirements contained in this title or title 50 of this Code, every person admitted to the [Trust Territory] Federated States of Micronesia for employment under the provisions of chapter 1 of this title and every person admitted to the [Trust Territory] Federated States of Micronesia 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] Federated States of Micronesia by a physician licensed to practice medicine in the country of origin of that person."

Section 32. Section 203 of title 51 of the Code of the Federated States of Micronesia is hereby amended to read as follows:

"Section 203. Physical examination required. Within 10 days after his entry into the [Trust Territory] Federated States of Micronesia, each holder of an entry permit which authorizes such person to enter the [Trust Territory] Federated States of Micronesia 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, Education and Social Affairs
[Services]. The cost of such physical examination shall
be borne by the entry permit holder."

Section 33. Section 204 of title 51 of the Code of the Federated States of Micronesia is hereby amended to read as follows:

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

(1) The [director] Secretary of the Department of Health, Education and Social Affairs [Services] shall, within a reasonable time after the completion of the physical examination required in section 202 of this chapter, 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] Federated States of Micronesia, 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] Federated States of Micronesia would not, in all medical probability, result in substantial
danger to the health of the inhabitants of the [Trust Territory] Federated States of Micronesia or in a need for prolonged medical care and treatment while in the [Trust Territory] Federated States of Micronesia.

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

Section 34. Section 205 of title 51 of the Code of the Federated States of Micronesia is hereby amended to read as follows:

"Section 205. Revocation of entry permit. Upon notification from the [director] Secretary of the Department of Health, Education and Social Affairs [Services] to the [High Commissioner] President as provided in section 203 of this chapter, the [High Commissioner] President shall revoke the entry permit of the entry-permit holder or the member of his family in question on the grounds that his continued presence in the [Trust Territory] Federated States of Micronesia would not be in the best interests of the [Trust Territory] Federated States of Micronesia."

Section 35. Section 207 of title 51 of the Code of the Federated States of Micronesia is hereby amended to read as follows:

"Section 207. Regulations. The [High Commissioner]
President shall have the power, in the manner [which is or may be] provided by law, to establish and promulgate regulations not inconsistent with this chapter, and may delegate any or all of his responsibilities under this section to the chief of Immigration[ , the chief of] and Labor, the [director] Secretary of Health, Education and Social Affairs [Services], or any of them."

Section 36. Section 302 of title 51 of the Code of the Federated States of Micronesia is hereby amended to read as follows:

"Section 302. Regional cooperation and exchange of information.

(1) The chief [ of the Labor Division, Department of Resources and Development,] shall initiate and maintain with the several nations of the Pacific area who are participants in the Conference of South Pacific Labor Ministers, through the Department of Labor, Commonwealth of Australia, a program of the periodic exchange of information concerning labor in the [Trust Territory] Federated States of Micronesia, including but not limited to the exchange of information concerning training programs and facilities, applicable legislation and statistics.

(2) The chief shall maintain a file of all information received from other such countries, which
shall be compiled and transmitted to the Congress [of Micronesia] as part of the annual report of the division required by this chapter."

Section 37. Section 303 of title 51 of the Code of the Federated States of Micronesia is hereby amended to read as follows:

"Section 303. Exchange of labor personnel. The chief of Labor is authorized to explore with other countries of the Pacific area who are participants in the Conference of South Pacific Labour Ministers, programs for the exchange of labor administration personnel for training and experience in the field of labor administration. To this end, the chief is authorized to implement the program by providing for the periodic exchange of division personnel, and for the in-service training of labor administration personnel from other such countries in the [Trust Territory] Federated States of Micronesia."

Section 38. Section 304 of title 51 of the Code of the Federated States of Micronesia is hereby amended to read as follows:

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

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

    (2) He shall transmit copies of the list to the Congress [of Micronesia] as a part of the annual report of the division required by this chapter, together with a statement as to the advisability of the applicability of each program or service to the [Trust Territory] Federated States of Micronesia, and a statement of the current eligibility of the [Trust Territory] Federated States of Micronesia for participation in these programs and services.

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

Section 39. Section 305 of title 51 of the Code of the Federated States of Micronesia is hereby amended to read as follows:

"Section 305. Apprenticeship training program.

    (1) Not later than [September 1, 1975,] October 1st of each year, the chief of the Immigration and Labor Division shall submit to the Congress [of Micronesia] and to the [High Commissioner] President a program for an apprenticeship training program, whereby employers would be reimbursed for a portion of the salary of an
apprentice by the [Trust Territory] Government of the Federated States of Micronesia until these apprentices have been fully qualified in their trade.

(2) This program shall be limited to trades which the chief believes essential to the future development needs of the Federated States of Micronesia, and shall include, but not be limited to, programs in the fields of construction, agriculture, and mechanics.

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

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

Section 40. Section 306 of title 51 of the Code of the Federated States of Micronesia is hereby amended to read as follows:

"Section 306. Annual report. The chief [of the Labor Division] shall, not later than January 31 of each year, transmit to the Congress [of Micronesia] and to the [High Commissioner of the Trust Territory] President a complete report of the activities of the division over the previous year, together with the other information as shall be required by this or other chapters to be included in the report. The report shall also contain
recommendations for legislation by the Congress [of Micronesia], in particular, legislation devoted to the development of labor skills of citizens of the [Trust Territory] Federated States of Micronesia. In preparing this report, the chief shall consult with the Department of Economic Affairs and the Department of Health, Education and Social Affairs to identify those positions for which insufficient numbers of skilled or trained FSM citizens exist, and for which foreign labor was required."

Section 41. Title 51 of the Code of the Federated States of Micronesia is hereby amended by repealing section 307 in its entirety.

Section 42. 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: 1/10/03                Introduced by: /s/ Joseph J. Urusemal
Joseph J. Urusemal            (by request)