

## The President

Palikir, Pohnpei Federated States of Micronesia

August 23rd, 2021

The Honorable Wesley W. Simina Speaker Twenty-Second Congress Federated States of Micronesia Palikir, Pohnpei FM 96941 PRESIDENTIAL COMM. NO. 22-87
FSM CONGRESS

Dear Speaker Simina:

I am pleased to transmit the following congressional act, which I have signed to become Public Law No. 22-33:

Congressional Act No. 22-29, entitled: "AN ACT TO AMEND TITLE 6 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA (ANNOTATED), TO AMEND SECTION 707 THEREOF, TO CLARIFY THAT STATE FUNDS AND ASSETS IN THE CUSTODY OR CONTROL OF A DEPARTMENT OR ENTITY OF THE NATIONAL GOVERNMENT SHALL UNDER NO CIRCUMSTANCES BE SUBJECT TO WRIT OF GARNISHMENT, AND FOR OTHER PURPOSES."

Thank you.

Sincerely,

David W. Panuelo

President

xc:

Chief Justice, FSM Supreme Court



# in COVC

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

> PRESIDENTIAL COMM. NO. 22-FSM CONGRESS

July <u>21</u>, 2021

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

Dear President Panuelo:

I have the honor to transmit herewith Congressional Act No. 22-29, "AN ACT TO AMEND TITLE 6 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA (ANNOTATED), TO AMEND SECTION 707 THEREOF, TO CLARIFY THAT STATE FUNDS AND ASSETS IN THE CUSTODY OR CONTROL OF A DEPARTMENT OR ENTITY OF THE NATIONAL GOVERNMENT SHALL UNDER NO CIRCUMSTANCES BE SUBJECT TO A WRIT OF GARNISHMENT, AND FOR OTHER PURPOSES", which was passed by the Twenty-Second Congress of the Federated States of Micronesia, First Special 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. 22-87 TSM CONGRESS

TWENTY-SECOND CONGRESS OF THE FEDERATED STATES OF MICRONESIA FIRST SPECIAL SESSION JULY 19 – 28, 2021

## An Act

TO AMEND TITLE 6 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA (ANNOTATED), TO AMEND SECTION 707 THEREOF, TO CLARIFY THAT STATE FUNDS AND ASSETS IN THE CUSTODY OR CONTROL OF A DEPARTMENT OR ENTITY OF THE NATIONAL GOVERNMENT SHALL UNDER NO CIRCUMSTANCES BE SUBJECT TO A WRIT OF GARNISHMENT, AND FOR OTHER PURPOSES.

INTRODUCED BY SENATOR: WESLEY W. SIMINA

DATE: JUNE 3, 2021

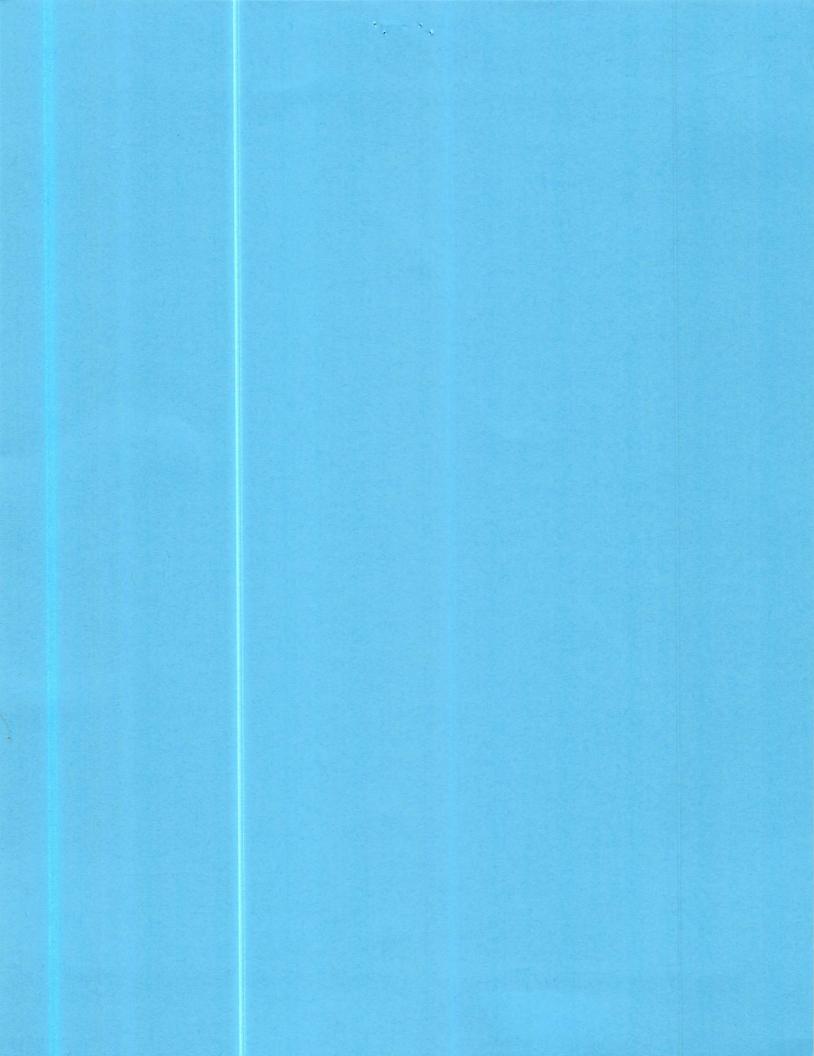
REFERRED TO: COMMITTEE ON JUDICIARY AND GOVERNMENTAL OPERATIONS

WITHDRAWN - JUNE 3, 2021

FIRST READING: - JUNE 3, 2021

SECOND READING: - JULY 26, 2021

Jessicalynn Reyes Chief Clerk, FSM Congress





### CONGRESS OF THE FEDERATED STATES OF MICRONESIA

P.O. Box PS 3 Palikir, Sokehs Pohnpei State, FM 96941 Tel: (691) 320-2324 12338 Fax: (691) 320-5122

PRESIDENTIAL COMM. NO. 22-87
FSM CONGRESS

ACT NO. 22-29

(CONGRESSIONAL BILL NO. 22-38, C.D.1)

We hereby certify that on July 26 the foregoing act passed Second and Final Reading of the Twenty-Second Congress of the Federated States of Micronesia, First Special 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.

Wesley W. Simina

Speaker

Congress of the

Federated States of Micronesia

Jessicalynn Rèyes

Chief Clerk

Congress of the

Federated States of Micronesia

#### AN ACT

To amend title 6 of the Code of the Federated States of Micronesia (Annotated), to amend section 707 thereof, to clarify that State funds and assets in the custody or control of a department or entity of the National Government shall under no circumstances be subject to a writ of garnishment, 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 clarify
- 2 the existing anti-garnishment statute pertaining to State funds
- 3 that are in the custody or control of the National Government.
- 4 Said funds have been exempt from writ of garnishment since Public
- 5 Law No. 10-142 enacted 6 F.S.M.C. 707; this Act emphasizes and
- 6 reiterates that the funds are prohibited from garnishment in all
- 7 circumstances, including to satisfy an obligation related to a
- 8 cause of action conferred by national statute. Congress finds it
- 9 is within its authority to establish parameters for a statute
- 10 enacted by Congress. Further, Congress notes that, as funds that
- 11 are necessary for the support of a person and his dependents are
- 12 exempt from attachment under 6 F.S.M.C. 1405, funds that are
- 13 necessary for State operations should also be exempt from
- 14 garnishment, and it is not the purview of the National Government
- 15 to make those determinations regarding State funds, budgets, and
- 16 operations. Nothing in this act prohibits a writ of garnishment
- 17 or attachment of State funds that are in State custody or control.

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Section 2. Section 707 of title 6 of the Code of the 1 2 Federated States of Micronesia (Annotated) is hereby amended to read as follows: "Section 707. Garnishment of funds or other assets 4 belonging to or owed to a State that are under the 5 custody or control of the National Government is 6 prohibited. A department or entity of the National 7 Government of the Federated States of Micronesia shall 8 under no circumstances be subject to writ of garnishment 9 or other judicial process to apply funds or other assets 10 that are in the custody or control of the department or 11 entity, if such funds or other assets belong to or are 12 13 owed to a State of the Federated States of Micronesia, to satisfy an obligation of the State to a third person. 14 15 This prohibition includes funds and assets that would be garnished to satisfy an obligation of the State 16 resulting from a cause of action expressly conferred by 17 18 national statute. Nothing herein shall imply that authority exists to issue a writ of garnishment or other 19 20 process against the National Government in any 21 circumstance." 22 23 24 25

| 1  | Section 3.       | This act shall become law upon approval by |
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| 2  | the President of | the Federated States of Micronesia or upon |
| 3  | its becoming law | without such approval.                     |
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| 7  |                  | Aug 23 , 2021                              |
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| 11 |                  | David W. Panuelo                           |
| 12 |                  | President                                  |
| 13 |                  | Federated States of Micronesia             |
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