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

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
July 27, 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,

[Signature]

Jessica Lynn Reyes
Chief Clerk, Congress of the Federated States of Micronesia

Enclosures
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WITHDRAWN – JUNE 3, 2021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
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

Jessica Lynn Reyes
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 the existing anti-garnishment statute pertaining to State funds that are in the custody or control of the National Government.

2. Said funds have been exempt from writ of garnishment since Public Law No. 10-142 enacted 6 F.S.M.C. 707; this Act emphasizes and reiterates that the funds are prohibited from garnishment in all circumstances, including to satisfy an obligation related to a cause of action conferred by national statute. Congress finds it is within its authority to establish parameters for a statute enacted by Congress. Further, Congress notes that, as funds that are necessary for the support of a person and his dependents are exempt from attachment under 6 F.S.M.C. 1405, funds that are necessary for State operations should also be exempt from garnishment, and it is not the purview of the National Government to make those determinations regarding State funds, budgets, and operations. Nothing in this act prohibits a writ of garnishment or attachment of State funds that are in State custody or control.
Section 2. Section 707 of title 6 of the Code of the Federated States of Micronesia (Annotated) is hereby amended to read as follows:

"Section 707. Garnishment of funds or other assets belonging to or owed to a State that are under the custody or control of the National Government is prohibited. A department or entity of the National Government of the Federated States of Micronesia shall under no circumstances be subject to writ of garnishment or other judicial process to apply funds or other assets that are in the custody or control of the department or entity, if such funds or other assets belong to or are owed to a State of the Federated States of Micronesia, to satisfy an obligation of the State to a third person. This prohibition includes funds and assets that would be garnished to satisfy an obligation of the State resulting from a cause of action expressly conferred by national statute. Nothing herein shall imply that authority exists to issue a writ of garnishment or other process against the National Government in any circumstance."
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.

Aug 23, 2021

David W. Panuelo
President
Federated States of Micronesia