

AN ACT

To amend sections 201 and 203 of title 37 of the Code of the Federated States of Micronesia, as established by Public Law No. 14-66, to separate the functions of the Insurance Board and the Insurance Commissioner from the Banking Board and the Banking Commissioner, and for other purposes.

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

1 Section 1. Section 201 of the title 37 of the Code of the
2 Federated States of Micronesia, as established by Public Law No.
3 14-66, is hereby amended to read as follows:

4 "Section 201. Establishment of the Insurance Board.

5 (1) There is hereby established an Insurance
6 Board which shall be composed of three members
7 appointed by the President and with the advice and
8 consent of the Congress of the Federated States of
9 Micronesia.

10 (2) All appointments shall be for a term of four
11 years; PROVIDED, HOWEVER, that, unless otherwise
12 provided by the President, all rights and powers of
13 an Insurance Board member shall be maintained by each
14 member until the appointment of such member's
15 successor. Insurance Board members shall be eligible
16 for reappointment.

17 (3) The Chairman of the Insurance Board shall be
18 elected by the members at the first organizational
19 meeting of the Board.

1 (4) Prior to the appointment of members of the
2 Insurance Board constituting a quorum, the Banking
3 Board shall serve as the Insurance Board.
4 Furthermore, until separate logistical and
5 administrative support are available to the Insurance
6 Commissioner, the Insurance Commissioner shall
7 utilize on a temporary basis the logistical and
8 administrative support available to the Banking
9 Commissioner. Nothing herein derogates the authority
10 and prerogative of the President to provide
11 administrative support to the Insurance Board and the
12 Insurance Commissioner pursuant to the provision of
13 section 206.

14 Section 2. Section 203 of the title 37 of the
15 Code of the Federated States of Micronesia, as amended by Public
16 Law No. 14-66, is hereby amended to read as follows:

17 "Section 203. Insurance Commissioner.

18 (1) The President shall appoint a person to be the
19 Insurance Commissioner who shall be responsible to the
20 Insurance Board for the execution of its policy and the
21 performance of duties and exercise of powers conferred
22 by this title.

23 (2) The Insurance Commissioner shall be a person of
24 recognized experience in insurance and financial matters
25 and shall be eligible for reappointment. The Insurance

1 Commissioner shall not hold or occupy any other office
2 unless approved in writing by the President.

3 (3) The remuneration and other terms and conditions of
4 employment of the Insurance Commissioner shall be
5 determined from time to time by the Insurance Board.

6 (4) The Insurance Commissioner shall, except as may
7 otherwise be provided in this title or the resolutions
8 of the Insurance Board, have the power to act and sign
9 instruments and documents on behalf of the Insurance
10 Board.

11 (5) The Insurance Commissioner shall serve, ex
12 officio, as a non-voting member of the Insurance Board.

13 (6) During any period when there is no duly appointed
14 person serving as Insurance Commissioner, the Chairman
15 of the Insurance Board shall perform the duties and
16 exercise the rights of the Insurance Commissioner.”

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25 Section 3. This act shall become law upon approval by the

1 President of the Federated States of Micronesia or upon its
2 becoming law without such approval.

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Manny Mori
President
Federated States of Micronesia

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