Optional lump sum payment to individuals not fully insured who reach retirement age. Any individual who reaches retirement age and who is not fully insured for Social Security benefits may, at his or her own option, elect to have a lump sum payment of four percent of his or her total cumulative covered earnings. If an individual elects to accept the lump sum payment, he or she shall lose credit for all quarters of coverage earned up to that point. If that individual returns to work, he or she shall start over again to earn quarters of coverage leading to being currently or fully insured. Only individuals who have resided in the Federated States of Micronesia for at least one year preceding their applications for these benefits, and who have either resided in the Federated States of Micronesia for a period of time of not less than 10 years total, or who were born in the Federated States of Micronesia, are eligible for this optional lump sum payment.”

Section 2. The amendments made in this act may be referred to as the “Halbert Optional Lump Sum Amendment.”
Section 3. For the purpose of this section, total Social Security contributions include contributions paid by the individual to the Trust Territory Social Security System.

Section 4. This act shall become law upon approval by the President of the Federated States of Micronesia or upon its becoming law without such approval.

Signed by President Bailey Olter on December 11, 1992