

Chapter 20

AGRICULTURAL LOANS

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24.2001 Authority to make loan.

(a) Within the limits of funds budgeted and appropriated for the purpose, and subject to such regulations as the Governor may prescribe, the director of the department of agriculture is authorized to make agriculture crop loans in accordance with this chapter.

(b) A loan shall be made only if the director

24.2002 Authorized loans.

A loan may be made to finance the cost of tools, machinery, materials, and labor for the planting of crops, including the clearing of land for crop production purposes, and for the construction of toolsheds, copra and cocoa driers. and other buildings or structures needed for agricultural production.

History: 1962, PL 7-24; 1965, PL 9-16.

24.2003 Dollar limit on loans.

(a) No loan to any one person, together with the unpaid balance of any prior loan under this program, may exceed \$5,000.

(b) The limitation in subsection (a) does not apply to loans granted by the Development Bank of American Samoa under 24.2009.

History: 1962, PL 7-24; 1965, PL 9-16; and 1977, PL 15-26.

Amendments: 1977 Designed existing section as subsection (a) and added subsection (b).

24.2004 Interest rate.

Each loan shall bear interest at the rate of 4% per year unless a different rate is prescribed by the Governor.

History: 1962, PL 7-24, 1965, PL 9-16.

24.2005 Loan agreement.

(a) Each loan shall be made upon the basis of a written loan agreement signed by the borrower and the matai controlling the family land if family land is involved.

(b) The loan agreement shall specify the obligations assumed by the borrower, which may include farming practices to be followed, marketing controls, and limitations on the portion of

the crop produced with the loan that may be used by the borrower or the matai. The loan agreement shall also specify the rights of the director, which shall include the right to inspect and give production, harvesting, and marketing directions, and the right to take possession of the land in the event of a default in payment of the loan and to use the land through agents or lessees for the time necessary to grow and market crops with a net value equal to the unpaid balance due on the defaulted loan.

History: 1962, PL 7-24, 1965, PL 9-16

24.2006 Deposits and funds.

All collections of loans and interest shall be deposited in the general fund of the government, shall be transferred to the account currently available for making agricultural crop loans, and shall be available for making new loans in accordance with the provisions of this chapter.

History: 1962, PL 7-24; 1965, PL 9-16.

24.2007 Advisory board.

In order to assist the director of the department of agriculture or the Development Bank of American Samoa, as the case may be, in determining the eligibility of applicants, each application shall be submitted to an advisory board consisting of the county chief, the district governor, and the pulenuu of the village where the land is located. The advisory board shall give recommendations and such other information as may be requested.

History: 1962, PL 7-24.

24.2008 Enforcement of loan agreement.

It shall be the duty of the county chief and the district governor to enforce the provisions of each loan agreement which is approved in accordance with the provisions of this chapter.

History: 1962, PL 7-24.

24.2009 Loans by Development Bank of American Samoa.

(a) The Development Bank of American Samoa may make agricultural crop loans in accordance with the policies prescribed in this chapter, except that collections of loans and interest shall be handled in accordance with the rules applicable to the bank's funds.

(b) The director of the department of agriculture is authorized to cooperate with the bank, without reimbursement, in serving any crop loans made by the bank.

History: 1962, PL 7-24.