

CHAPTER 5

DEVELOPMENT LOAN FUND

Section

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36 PC 5-101. Development loan fund.

There is hereby created a Pohnpei development loan fund, hereinafter referred to as the “loan fund,” which shall serve as a source of financing for development projects in line with the goals and objectives of the Pohnpei Development Plan.

Source: S.L. No. 1L-148-87 §1, 7/14/87

36 PC 5-102. Purpose of the loan fund.

It shall be the purpose of the loan fund to make loans available to the people of Pohnpei who wish to establish development projects but are unable to obtain loans from established commercial financial lending institutions. The loan fund shall be used to promote, to the greatest extent possible, the advancement of the development goals and objectives of the Pohnpei Development Plan.

Source: S.L. No. 1L-148-87 §2, 7/14/87

36 PC 5-103. Management of the loan fund.

The loan fund shall be administered and managed by the Federated States of Micronesia Development Bank, hereinafter referred to as the “Development Bank”. The terms and conditions of loans made against the loan fund shall be promulgated by the Development Bank and the Administrator of the Office of Economic Affairs and approved by the Pohnpei Legislature. The Office of Economic Affairs shall enter into an intergovernmental agreement with the Development Bank that shall specify the management role, duties, and liabilities of the Bank in regard to the administration of the loan fund.

Source: S.L. No. 1L-148-87 §3, 7/14/87; S.L. No. 5L-14-00 §3-30, 10/1/00

36 PC 5-104. Technical assistance.

The Office of Economic Affairs, in consultation with the Development Bank, shall provide to each individual applicant, group, association, partnership, corporation or joint venture the necessary technical assistance required in securing a loan.

Source: S.L. No. 1L-148-87 §4, 7/14/87; S.L. No. 5L-14-00 §3-30, 10/1/00

36 PC 5-105. Authorization for appropriation; administration.

There is hereby authorized for appropriation from the fund of the Treasury into which the Compact of Free Association capital account monies are deposited a sum or sums to be determined and appropriated in the annual Comprehensive Budget Act of Pohnpei for the purpose of providing the capital of the loan fund. The sum herein authorized for appropriation shall be administered and expended by the Development Bank pursuant to 36 PC 5-102 and 36 PC 5-103. The Development Bank shall submit to the Governor of Pohnpei and the Legislature on or before October 15 each year an annual report detailing the activities of the loan fund. The loan fund shall be subject to audit at any time by request of the Governor or the Legislature.

Source: S.L. No. 1L-148-87 §5, 7/14/87; S.L. No. 2L-41-88 §1, 10/10/88

Note: S.L. No. 1L-148-87 §6 severability provision has been omitted.