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2-4

A BILL FOR AN ACT

To amend Public Law No. 1-117 to raise the maximum rate of interest, and for other purposes.

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

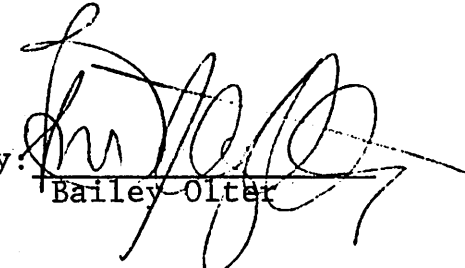
1 Section 1. Section 2 of Public Law No. 1-117 is hereby amended
2 to read as follows:

3 "Section 2. Section 252 of Chapter 7 of Title 33 of the
4 Trust Territory Code is hereby repealed and a new Section
5 252 is enacted to read as follows:

6 'Section 252. Maximum rate of interest. No person
7 may directly or indirectly receive or charge any interest
8 in an amount or at a rate greater than one and one-half
9 percent per month on the principal balance due on any major
10 loan.'"

11 Section 2. This act shall become law upon the approval of the
12 President of the Federated States of Micronesia or upon its becoming
13 law without such approval, and it shall apply only to major loans
14 made after the effective date of this act.

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16 Date: May 19/81

Introduced by: 
Bailey Oltar

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