

HEFA

A BILL FOR AN ACT

To create a student revolving loan fund in the Federated States of Micronesia, and for other purposes.

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

1 Section 1. Short title. This act shall be known as the Student
2 Revolving Loan Fund Act of 1981.

3 Section 2. Creation of the student revolving loan fund. There is
4 hereby created a student revolving loan fund of the Federated States of
5 Micronesia, herein referred to as the "Student Revolving Loan Fund," the
6 purpose of which shall be to provide a revolving fund that will provide
7 financial assistance for educational purposes through loans to citizens of
8 the Federated States of Micronesia.

9 Section 3. Use of the Student Revolving Loan Fund. The Student
10 Revolving Loan Fund shall be made available for loans to Federated States
11 of Micronesia citizens attending accredited schools above high school
12 level within and outside of the Federated States of Micronesia.

13 Section 4. Repayment of loans. Repayment of loans and interest
14 collected from funds appropriated under Public Laws Nos. 1-22, 1-106, and
15 1-125 shall be deposited in the Student Revolving Loan Fund account with
16 the Department of Finance of the Federated States of Micronesia and shall
17 be made available for loans to qualified and eligible students who are
18 citizens of the Federated States of Micronesia. Repayment of loans shall
19 be made in accordance with rules and regulations established by the
20 Department of Social Services, Federated States of Micronesia and the
21 repayment period shall be determined by the Secretary of Social Services
22 or his designee.

23 Section 5. Eligibility. Loans may be made to students only upon
24 fulfillment of the following requirements:

25 (1) Students must be citizens of the Federated States of

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1 Micronesia;

2 (2) Students must show proof of acceptance or enrollment at
3 an accredited institution of higher learning;

4 (3) Students must support an application for a loan by a
5 showing of need; and

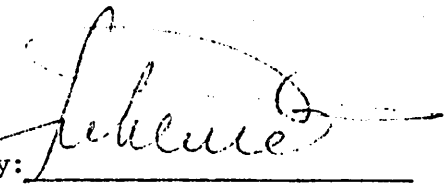
6 (4) Students must undertake and maintain a full-time academic
7 work load.

8 Section 6. Policies and procedures. The Secretary of Social Services,
9 subject to approval by the President, shall establish policies and
10 procedures necessary and appropriate for the effectuation and implementation
11 of the provisions of this act. The Secretary of Social Services, subject
12 to approval by the President, shall establish the terms and conditions,
13 including interest rates, subject to which loans shall be extended to
14 students.

15 Section 7. Annual report. The Secretary of the Department of
16 Social Services shall prepare and submit an annual report on the status
17 of the fund prior to the October session of the Congress of the Federated
18 States of Micronesia. The report shall include the total amount of money
19 in the account, the number of loans made, the amount of repayment collected
20 during the fiscal year, and such other information as may be appropriate.

21 Section 8. Effective date. This act shall become law upon approval
22 by the President of the Federated States of Micronesia or upon its
23 becoming law without such approval.

24
25 Date: November 8, 1981

Introduced by: 
Luke M. Tman
(By request)