A RESOLUTION

Requesting the Office of Planning and Statistics to prepare a method for each State to use in assessing the value of land and requesting banks to refrain from accepting land as collateral until each State adopts a method.

1 WHEREAS, a reliable way to value land is necessary to enable our citizens to plan for the future; and

2 WHEREAS, before banks should be permitted to accept land as collateral for loans, the Government should give the people a way to know the value of their land; and

3 WHEREAS, the Office of Planning and Statistics has valued buildings and other physical assets in the States; and

4 WHEREAS, the Office of Planning and Statistics is responsible for aiding the States with planning by providing technical assistance and, thus, has the expertise to prepare a method for assessing the value of land; and

5 WHEREAS, the States can serve our citizens by restricting any laws permitting the use of land as collateral for loans to those transactions with the value of the land certified by the method created by the Office of Planning and Statistics; now, therefore,

BE IT RESOLVED by the Fourth Congress of the Federated States of Micronesia, Third Regular Session, 1986, that the Congress hereby requests that the Office of Planning and Statistics prepare a method for each State to use in assessing the value of land; and

BE IT FURTHER RESOLVED that banks doing business in the Federated States of Micronesia are hereby requested to refrain from accepting land as collateral for loans until each State has adopted a method for appraising the value of land; and

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BE IT FURTHER RESOLVED that the States of the Federated States of Micronesia are hereby requested to provide that any laws permitting the use of land as collateral for loans be restricted to transactions with the value of the land certified by the method created by the Office of Planning and Statistics; and

BE IT FURTHER RESOLVED that certified copies of this resolution be transmitted to the Director of the Office of Planning and Statistics, the Development Bank of the Federated States of Micronesia, the Bank of Guam, the Bank of Hawaii, the Bank of the Federated States of Micronesia, the Governor of Kosrae, the Governor of Pohnpei, the Governor of Truk, the Governor of Yap, and the President of the Federated States of Micronesia.

Date: 6-12-86

Introduced by: Claude H. Pillay

Claude H. Pillay