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A BILL FOR AN ACT

To establish the Kitti and Madolenihmw Economic Development Board for the purpose of administering the Kitti Economic Development Revolving Loan Fund and the Madolenihmw Economic Development Revolving Loan Fund; to establish the Kitti Economic Development Revolving Loan Fund and the Madolenihmw Economic Development Revolving Loan Fund; to appropriate the sum of \$50,000 from the General Fund of the Federated States of Micronesia for the fiscal year ending September 30, 1989, for the purpose of funding such development revolving funds for the benefit of those municipalities in the State of Pohnpei; and for other purposes.

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

1       Section 1. Purpose. The purpose of this act is to establish  
2 a Kitti Economic Development Revolving Loan Fund and a Madolenihmw  
3 Economic Development Revolving Loan Fund for the purpose of promoting  
4 economic development in those respective municipalities in the State  
5 of Pohnpei and to provide for the administration of each of these  
6 Funds.

7       Section 2. Definitions. As used herein, unless otherwise  
8 indicated by context, the following definitions shall be applicable:

9           (1) "Board" means the Kitti and Madolenihmw Economic  
10 Development Board;

11          (2) "Fund" or "Funds" means either or both the Kitti  
12 Economic Development Revolving Loan Fund or the Madolenihmw  
13 Economic Development Revolving Loan Fund established and funded  
14 by this act; and

15          (3) "Loan" means a loan of monies from either Fund  
16 made pursuant to the provisions of this act for the purpose of  
17 promoting economic development in the municipality from whose  
18 Fund the loan proceeds are drawn.

19       Section 3. Kitti and Madolenihmw Economic Development Board -  
20 Establishment and membership. There is hereby established the Kitti  
21 and Madolenihmw Economic Development Board which shall consist of  
22 the following three members:

- 23           (1) The Luhkermenlap of Kitti Municipality;
- 24           (2) The Meninkeder Lapalap of Madolenihmw Municipality; and
- 25           (3) One member appointed by the representative of the

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1 Kitti and Madolenihmw Municipalities in the Congress of the Federated  
2 States of Micronesia.

3 Section 4. Kitti and Madolenihmw Economic Development Board -  
4 Organization and compensation.

5 (1) The members of the Board shall establish rules of  
6 organization and procedure which shall govern all operations, actions  
7 and meetings of the Board.

8 (2) The members of the Board shall serve without  
9 compensation.

10 Section 5. Kitti and Madolenihmw Economic Development Board -  
11 Duties and functions. The Board's duties and functions shall be as  
12 follows:

13 (1) The Board shall have full authority to award loans  
14 out of the Kitti Economic Development Revolving Loan Fund and the  
15 Madolenihmw Economic Development Revolving Loan Fund for the  
16 purpose of promoting economic development in those respective  
17 municipalities; PROVIDED, however, that all loan recipients shall  
18 be citizens of the Federated States of Micronesia or businesses  
19 duly chartered within the State of Pohnpei, resident in the respective  
20 municipality from whose Fund the loan proceeds are drawn; and

21 (2) The Board shall establish such eligibility criteria,  
22 loan terms, disbursement procedures, and other rules, guidelines, or  
23 conditions as may be necessary to administer the funds for the uses  
24 contemplated by this act or to otherwise implement the provisions and  
25 accomplish the purposes of this act.

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1           Section 6. Appropriation.

2                   (1) The sum of \$50,000, or so much thereof as may be  
3 necessary, is hereby appropriated from the General Fund of the  
4 Federated States of Micronesia for the fiscal year ending  
5 September 30, 1989, for the purpose of funding Economic Development  
6 Revolving Loan Funds for the Kitti and Madolenihmw Municipalities in  
7 the State of Pohnpei. The funds appropriated by this act shall be  
8 deemed to have come from the capital account of the Compact of Free  
9 Association.

10                  (2) The sum appropriated under subsection (1) of  
11 section 6 of this act shall be apportioned as follows:

- 12                   (a) Kitti - Economic Development  
13 Revolving Loan Fund..... \$ 25,000  
14                   (b) Madolenihmw - Economic Development  
15 Revolving Loan Fund..... 25,000

16                  (3) All funds appropriated by this act shall be allotted,  
17 managed, administered, and accounted for in accordance with applicable  
18 law, including, but not limited to, the Financial Management Act of  
19 1979. The allottee shall be the Kitti and Madolenihmw Economic  
20 Development Board which shall be responsible for ensuring that these  
21 funds, or so much thereof as may be necessary, are used solely for the  
22 purposes specified in this act, and that no obligations are incurred  
23 in excess of the sum appropriated. The authority of the allottee to  
24 obligate funds appropriated by this act shall not lapse until  
25 expended.

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C. B. No. 5-404

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1 Section 7. Effective date. This act shall become law upon  
2 approval by the President of the Federated States of Micronesia or  
3 upon its becoming law without such approval.

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5 Date: 11/18/88

Introduced by:

Elias H. Thomas  
Elias H. Thomas

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