

A BILL FOR AN ACT

To amend Public Law No. 10-31 by adding a new section 9, for the purpose of forgiving the remaining balance of the recovery loan assistance extended to Chuuk State, 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
2 absolve Chuuk State from repayment of the loan provided them by
3 the National Government in 1997. Through Public Law No. 10-31,
4 the National Government provided loan assistance to Chuuk State
5 in the amount of \$3,761,987 to alleviate the financial crisis
6 the state was then facing. The balance currently outstanding
7 is \$748,804. Due to the current financial position of the
8 State of Chuuk, it is prudent the National Government extend
9 further assistance by forgiving the loan balance of \$748,804.

10 Section 2. Public Law No. 10-31 is hereby amended by
11 adding a new section 9 to read as follows:

12 "Section 9. The balance of the loan assistance
13 provided to Chuuk State through Public Law No. 10-31
14 is hereby forgiven; the State of Chuuk is hereby
15 absolved from its remaining obligations under the
16 loan agreement entered into pursuant to section 4 of
17 Public Law No. 10-31."

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

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5 Date: 7/19/13

Introduced by: /s/ Joseph J. Urusemal
Joseph J. Urusemal

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/s/ Wesley W. Simina
Wesley W. Simina

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