EIGHTEENTH CONGRESS OF THE FEDERATED STATES OF MICRONESIA

FIRST SPECIAL SESSION, 2013   CONGRESSIONAL BILL NO. 18-34

PC NO. 18-61   **PUBLIC LAW NO. 18-08**

AN ACT

To further amend Public Law No. 14-104, as amended by Public Laws Nos. 15-01 and 15-04, by adding a new section 14, for the purpose of forgiving the remaining balance of the recovery loan assistance extended to Kosrae State, and for other purposes.

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

1   Section 1. <u>Purpose.</u> The purpose of this act is to absolve

2   Kosrae State from repayment of the loan provided them by the

3   National Government in 2006. Through Public Law No. 14-104, the

4   National Government provided loan assistance to Kosrae State in

5   the amount of $1,500,000 to alleviate the financial crisis the

6   state was then facing. The balance currently outstanding is

7   $1,310,000. Due to the current financial position of the State of

8   Kosrae, it is prudent the National Government extend further

9   assistance by forgiving the loan balance of $1,310,000.

10   Section 2. Public Law No. 14-104, as amended by Public Laws

11   Nos. 15-01 and 15-04, is hereby further amended by adding a new

12   section 14 to read as follows:

13   "Section 14. The balance of the loan assistance

14   provided to Kosrae State through Public Law No. 14-104,

15   as amended by Pubic Laws Nos. 15-01 and 15-04, is hereby

16   forgiven; the State of Kosrae is hereby absolved from

17   its remaining obligations under the loan agreement

18   entered into pursuant to section 8 of Public Law

19   No. 14-104."

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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7   August 15_____, 2013

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11   /s/ Manny Mori_____
                                    Manny Mori
12   President
                                    Federated States of Micronesia

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