

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

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

12 "Section 9. The balance of the loan assistance provided
13 to Chuuk State through Public Law No. 10-31 is hereby
14 forgiven; the State of Chuuk is hereby absolved from its
15 remaining obligations under the loan agreement entered
16 into pursuant to section 4 of 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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August 15 _____, 2013

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/s/ Manny Mori _____

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Manny Mori
President
Federated States of Micronesia

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