

NITIJELA OF THE MARSHAL ISLANDS

24th CONSTITUTIONAL REGULAR SESSION, 2003

**BILL NO: 126
P.L. 2003-82**

AN ACT

1 to amend 3 MIRC Chapter 7, General Fund Investment Act, 1979 (the Act), section 2, in order to
2 clarify the type of financial institutions at which public funds may be invested.
3

4 **BE IT ENACTED BY THE NITIJELA OF THE MARSHALL ISLANDS**

5 **Section 1 Short Title**

6 This Act may be cited as the General Fund Investment (Amendment) Act, 2003.

7 **Section 2. Amendments**

8 Section 2 of the Act is hereby amended to read in the following manner;

9 **“ 2. Investment of Public Money**

10 The Secretary of Finance, subject to approval of Cabinet, may transfer
11 specific amounts of money from the Marshall Islands General Fund, and invest
12 such money in financial institution investment accounts for the purposes of
13 accruing-interest, provided however that;

14 (a) public monies shall not be deposited with any
15 financial institution that is not a member of the Federal Deposit Insurance
16 Corporation (FDIC) of the United States or the Federal Savings and Loan
17 Insurance Corporation (FSLIC) of the United States, unless the Secretary
18 of Finance is satisfied, on the advise of the Banking Commissioner, that a
19 financial institution (although not a member of the FDIC or FSLIC), owns

1 sufficient assets to cover the total amount of the investment;

2 (b) the demand deposit account of the General Fund shall be
3 continuously maintained to cover not less than seventy-five per cent (75%)
4 of the cash expenditures projected to be expended over the next succeeding
5 ninety (90) day period.

6 (c) all deposits, accounts and funds maintained pursuant to this
7 Section, and interest accrued thereby, shall be subordinate deposits,
8 accounts and funds of the Marshall Islands General Fund;

9 (d) no withdrawal of monies shall be made out of or charged
10 against time or savings deposits, accounts or funds maintained pursuant to
11 this Section, or interest accrued thereby, except to transfer funds into the
12 demand deposit account of the Marshall Islands General Fund. All
13 expenditures shall be made out of or charged against the demand deposit
14 account of the Marshall Islands General Fund only.”

15 Section 3. **Effective Date**

16 This Act shall take effect on the date of certification in accordance with the provisions of
17 Article IV Section 21 of the Constitution and the Rules of Procedures of the Nitijela.

18 **CERTIFICATE**

19 **I hereby certify:**

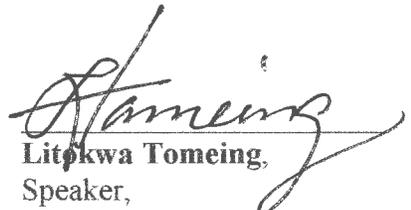
20 (1) that Nitijela Bill No. 126 was passed by the Nitijela of the Marshall Islands on the
21

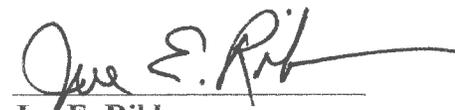
1 10th day of September, 2003; and

2
3 (b) that I am satisfied that Nitijela Bill No. 126 was passed in accordance with the
4
5 relevant provisions of the Constitution of the Republic of the Marshall Islands and the Rules of
6
7 Procedures of the Nitijela .

8
9 I hereby place my signature before the Clerk of the Nitijela this 3rd day of December, 2003.

10
11 **Attest:**

12
13 
14 **Litokwa Tomeing,**
15 Speaker,
16 Nitijela of the Marshall Islands

17
18 
19 **Joe E. Riklon**
20 Clerk,
21 Nitijela of the Marshall Islands
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