NITIJELA OF THE REPUBLIC OF THE MARSHALL ISLANDS

27TH CONSTITUTIONAL REGULAR SESSION, 2006

BILL NO: 126ND1

P.L. 2006-71

AN ACT

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to amend the Usury Act 1989 (20 MIRC Ch.7), to increase the penalties for offences prescribed under the Act.

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BE IT ENACTED BY THE NITIJELA OF THE REPUBLIC OF THE MARSHALL ISLANDS:

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Section 1. **Short Title**

This Act may be cited as the Usury (Amendment) Act, 2006.

Section 2. Amendment.

- Section 705 Subsection (2) of the Usury Act, 1989 is hereby amended to read as follows: **(1)**
 - §705. Civil and criminal penalties for violation.
 - **(1)** Every person, who for any loan or forbearance of money, goods or things in action, shall have paid or delivered any greater sum or value than is allowed to be received under the provisions of this Act, may, either in person or through his personal representative, recover in an action at law against the person or his personal representative, who shall have taken or received the same, treble the amount of the money so paid or value delivered in violation of said provisions; provided, such action shall be brought within one year after such payment or delivery.
 - **(2)** Any person who willfully makes or negotiates, for himself or another, a loan of

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money, credit, goods, or things in action, and who directly or indirectly charges, contracts for, or receives with respect to any such loan any interest or charge of any nature, the value of which is in excess of that allowed by law, is guilty of usury, and is punishable -

- (a) by a monetary penalty of not less than \$1,000 but no more than \$100,000; or
- (b) by a term of imprisonment of not less than five (5) years but no more than ten (10) years;
- (c) or both.

Section 3. Effective Date

This Act shall take on the date of certification in accordance with the Constitution and the Rules of Procedures of the Nitijela.

CERTIFICATE

I hereby certify:

- (1) That Nitijela Bill No: <u>126ND1</u> was passed by the Nitijela of the Republic of the Marshall Islands on the <u>6th</u> day of <u>November</u>, 2006; and
- (2) That I am satisfied that Nitijela Bill No.: <u>126ND1</u> was passed in accordance with the relevant provisions of the Constitution of the Republic of the Marshall Islands and the Rules of Procedures of the Nitijela.

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Attest:

Ruben R. Zackhras

Vice-Speaker

Nitijela of the Marshall Islands

Joe E. Riklon

Clerk

Nitijela of the Marshall Islands