

THIRTEENTH KOSRAE STATE LEGISLATURE

THIRTEENTH SPECIAL SESSION, OCTOBER 2024

L.R. No. 13-132

W&M

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A RESOLUTION

Authorizing the Governor to establish a Letter of Credit (LOC) between the Bank of Guam and the Kosrae State Government.

1       **WHEREAS**, pursuant to Article X, Section 6 of the Kosrae State Constitution, the  
2 Governor may borrow money on the public credit as authorized by law; and

3       **WHEREAS**, it is in the best interest of the state to utilize a Letter of Credit (LOC) for  
4 security and efficiency purposes and to be in line with OIA/US recommendation thereof; and

5       **WHEREAS**, the Governor has appointed the Director of the Kosrae State Department of  
6 Administration & Finance to enter into contract with the lending institution or the Bank of Guam  
7 to open a Letter of Credit; **NOW & THEREFORE**

8       **BE IT RESOLVED**, that the Director of the Department of Administration & Finance is  
9 hereby authorized and empowered to establish a Letter of Credit (LOC) with the Bank on Guam  
10 in the name of Kosrae State Government, for the purposes that include the payment of  
11 merchandise procured from off-island business vendors to support the Kosrae State Government  
12 with the supplying and distribution of commodities; and

13       **BE IT FURTHER RESOLVED**, that the Director of the Department of Administration  
14 & Finance is hereby authorized by the Governor with concurrence by the Kosrae State  
15 Legislature to sign any and all relevant documentation required for such relative transactions and  
16 that the Letter of Credit will be fully secured by Kosrae State Government funds; and

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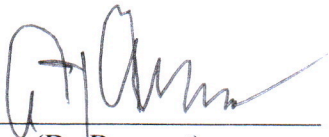
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1        **BE IT FURTHER RESOLVED**, that the Director of Finance & Administration shall set  
2        aside and pledge to the lending institution or the Bank of Guam designated funds in a separate  
3        account for the repayment of the transaction as permitted by Kosrae State Financial Management  
4        Regulation; and

5        **BE IT FURTHER RESOLVED**, that certified copies of this resolution be transmitted to  
6        The Honorable Tulensa W. Palik, Governor of the State of Kosrae; Director Lipar L. George,  
7        Dept. of Administration & Finance; and Mrs. Kenye Tilfas, Branch Manager – Bank of Guam,  
8        Kosrae Branch.

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11      Date: 10/23/24

Introduced by: 

(By Request)