

## AN ACT

Repealing the Truk District Legislature Scholarship Fund, the TDL Student Educational Assistance Grant, TDL Law Scholarship Fund, and creating the Truk State Scholarship and Vocational Training Fund, and for other purposes.

Be it enacted by the Legislature of Truk District that:

Section 1. Repeal. Chapter 3, 3.1, 3.2 and 4 of Title 15 of the Truk District Code is repealed in its entirety.

Section 2. Enactment. Chapter 3, Title 15 of the Truk District Code is enacted to read as follows:

"Chapter 3

Truk State Scholarship and Vocational Training Fund.

Section:

50. Establishing of Truk State Scholarship and Vocational Training Fund;
51. Purpose;
52. Scholarship Board;
53. Fields of Study;
54. Term of Grant;
55. Amount of Grant;
56. Conditions of Grant;
57. Repayment of Grant;
58. Right of Action;
59. Annual appropriation and administration of Funds;
60. Annual report to Legislature; and
61. Recipients of scholarships and grants under prior Law.

Section 50. Establishing of Truk State Scholarship and Vocational Training Fund. The Truk State Scholarship and Vocational Training Fund is established.

Section 51. Purpose. The fund established under this chapter shall be used to provide scholarships and training programs for the people of Truk. These scholarships and training programs are necessary for educational development by higher education and technical expertise in those areas which are essential to economic and social growth.

Section 52. Scholarship Board. The Scholarship Board

shall:

- (1) be composed of five members; two of which shall be appointed by the Governor and the remaining three members by the Speaker;
- (2) have a term of three years, in the event of a vacancy on the board, the Governor shall appoint a new member for the unexpired term;
- (3) select a chairman at its first meeting; and
- (4) select qualified recipients to receive grants and the amount of the awards.

Section 53. Fields of Study. The grants under this Chapter shall be awarded in the following fields of study:

- (1) Law;
- (2) Agriculture;
- (3) Engineering and Technical Skills;
- (4) Marine Sciences;
- (5) Health Services;
- (6) Business and Accounting; and
- (7) Other fields which the Scholarship Board may determine to be essential to the economic and social growth of the people of Truk State.

Section 54. Term of Grants. The term of grants shall be determined by the Scholarship Board. However, PROVIDED, after a grant has been awarded the recipient shall continue to receive the grant in an amount necessary to complete the educational or vocational program for which the grant was awarded. However, it is also provided that should the recipient of the grant cease to pursue the educational or vocational program or fail to maintain good standing in the program, the Scholarship Board shall immediately discontinue the grant and notify the recipient of the discontinuance.

Section 55. Amount of Grant. The amount of the grant under this Chapter shall be determined by the Scholarship Board on an individual basis; factors to be considered in the amount of the award are:

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- (1) need for the particular skill within Truk;
  - (2) financial resources of the recipient;
  - (3) costs of tuition, books and materials, travel expenses and living expenses; and
  - (4) academic performance of the recipient.

Section 56. Conditions and Grants. All grants shall be conditional upon the recipient's agreement to the following:

- (1) to return to Truk State to practice those skills acquired by virtue of the grants awarded under this Chapter for a period of three years;
- (2) to perform to the best of his ability in the program and maintain good standing in that program;
- (3) to complete the program commenced; and
- (4) to repay the Truk State Scholarship and Vocational Training Fund those sums awarded under this Chapter for failing to comply with the above three conditions without good cause. The Scholarship Board may release for good cause any recipient from repayment as outlined in this Section.

Section 57. Repayment of Grant. Should the recipient of any grant awarded under this Chapter fail to meet the conditions as provided in Section 56 of this Chapter, the Scholarship Board shall determine the amount and method of repayment of sums awarded to that recipient as are fair.

Section 58. Right of Action. The Scholarship Board, for itself and on behalf of the Truk State Scholarship and Vocational Training Fund, is authorized to bring an action in any court of competent jurisdiction to collect all sums owing the Truk State Scholarship and Vocational Training Fund. The Scholarship Board has exclusive discretion in determination of whether to bring an action under this Section.

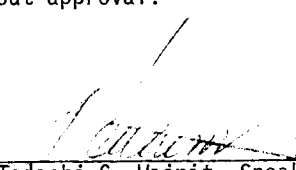
Section 59. Annual Appropriation and Administration of Funds. The Truk Legislature shall appropriate annually out of the General Fund, such sums as are necessary to carry out the purpose of this Chapter. The Director of Education shall administer the Funds appropriated under this Chapter. The State Treasurer shall have fiscal management of the funds appropriated under this Chapter.

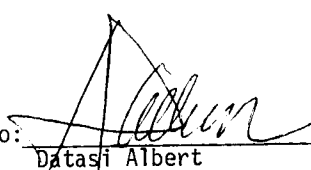
Section 60. Report to the Legislature. The Scholarship Board and the Director of Education shall provided a joint annual report on the performances of the recipients and shall submit a budget for the following fiscal year to the Truk State Legislature.

Section 61. Recipients of Scholarship and Grants under prior Law. All recipients of scholarships or grants under the TDL Scholarship Fund, Title 15, Chapter 3 of the Truk District Code; the TDL Student Educational Assistance Grant Fund, Title 15, Chapter 3.1, of the Truk District Code, TDL Law Scholarship Fund, Title 15, Chapter 3.2, of the Truk District Code; and the Vocational Scholarship and Training Fund, Title 15, Chapter 4, of the Truk District Code, shall continue to receive those scholarships or grants as created and provided for under prior law. However, the Scholarship Board shall supervise all recipients of scholarships or grants under prior law in accord with the provisions of this Chapter which are not inconsistent with the prior law."

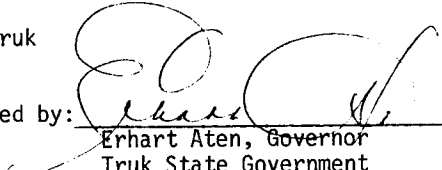
Section 3. Appropriation. There is authorized to be appropriated out of the General Fund of the Truk Legislature, the sum of money necessary for the purpose of funding Truk Scholarship and Vocational Training Fund.

Section 4. Effective Date. This act shall take effect upon approval by the Governor, or upon its becoming law without approval.

Signed by:   
Tadashi C. Wainit, Speaker  
Legislature of the State of Truk

Attested to:   
Datasi Albert  
Legislative Clerk/Secretary  
Legislature of the State of Truk

Date: March 28, 1974

Approved by:   
Erhart Aten, Governor  
Truk State Government

Date: April 26, 1979