

AN ACT

*PL-1984-10*  
*PL-1983*

To establish a Housing Authority to provide housing assistance primarily for low-income families, and for related purposes.

BE IT ENACTED BY THE NITIJELA OF THE MARSHALL ISLANDS:

PART I. - PRELIMINARY.

1 Section 1. Short title.

2 This Act may be cited as the Housing Act 1983.

3 Section 2. Interpretation.

4 In this Act -

5 "the Authority" means the Housing Authority;

6 "the Chairman" means the Chairman of the Housing  
7 Authority appointed under Section 13 (1), and  
8 includes the Vice-Chairman acting under Section  
9 13(3);

10 "community" means any cohesive population area  
11 in any atoll or island;

12 "ex officio member of the Authority" means a member  
13 of the Housing Authority appointed by Section 9(2);

14 "full member of the Authority" means a member of  
15 Housing Authority appointed under Section 9(1),  
16 and includes an acting member appointed under  
17 Section 9(3);

18 "the Housing Authority" means the Marshall Islands  
19 Housing Authority established by Section 7;

20 "the Housing Fund" means the Housing Fund

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1 established by Section 24;

2 "housing project" means any work, undertaking

3 or activity to provide dwellings and other

4 living accommodation;

5 "land" unless some other meaning is clearly

6 indicated, includes buildings, improvements

7 and fixtures on land, and appurtenances to

8 land or used in connexion with land, and any

9 interest in or in relation to land or any such

10 building improvement, fixture or appurtenance,

11 "low-income family" means a family, or an

12 individual living apart from his family, who

13 cannot afford -

14 (a) to pay enough to cause private

15 enterprise to build adequate safe,

16 sanitary and decent housing; or

17 (b) to buy or rent, on reasonable

18 conditions, such housing if it were

19 available;

20 "member of the Authority" means a full member

21 of the Authority or an ex officio member of

22 the Authority;

23 "overcrowded or lighted area" means an area in

24 which there is a predomance of buildings

25 or improvements, whether residential or other, which

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- 
- 1 by reason of -
- 2 (a) dilapidation, deterioration, age or obsole  
3 obsolescence; or
- 4 (b) inadequate provision for ventilation,  
5 light, air, sanitation or open spaces;  
6 or
- 7 (c) high density of population and overcrowding;  
8 or
- 9 (d) inadequate street layout, accessibility  
10 or usefulness; or
- 11 (e) the existence of any condition that endangers  
12 life or property by fire or other means; or
- 13 (f) the likelihood of danger from wave action  
14 or other natural disaster; or
- 15 (g) the difficulty of providing adequate health,  
16 education and other community services;  
17 or
- 18 (h) any combination of those factors, do  
19 not provide, or hinder the provision  
20 of, safe, sanitary and decent housing  
21 or are otherwise -
- 22 (i) conducive to ill-health, the  
23 transmission of disease, infant  
24 mortality, juvenile delinquency  
25 or crime; or

1 (j) detrimental to public health, safety, morals  
2 or welfare;

3 "the Treasurer" means the Treasurer of the Housing  
4 Authority appointed by Section 13(2);

5 "the Vice-Chairman" means the Vice-Chairman of the  
6 Housing Authority appointed under Section 13(1).

7 Section 3. Delegation by the Authority.

8 (1) With the approval of the Minister, the Housing Authority  
9 may, by written instrument, delegate to any person any of its powers  
10 or functions under this Act, other than the power to make by-laws under  
11 Section 21(3)(h), or to establish standards under Section 21(3)(i).

12 (2) A delegation under Subsection (1) shall be subject to such  
13 limitations and conditions (if any) as the Housing Authority thinks proper  
14 to ensure the carrying out of the purposes and provisions of the Act,  
15 or as the Minister imposes.

16 (3) A delegation under this section is revocable, by written  
17 instrument, at will, and no such delegation prevents the exercise or  
18 performance of a power or function by the Housing Authority.

19 PART II. - PURPOSES AND PRINCIPLES.

20 Section 4. Purposes of this Act.

21 (1) The purpose of this Act are -

22 (a) to provide decent houses and suitable living  
23 environments for all persons in the Marshall Islands,  
24 giving first priority to low-income families and  
25 persons in overcrowded or blighted areas; and  
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1 (b) to eliminate and prevent overcrowded or blighted  
2 areas; and  
3 (c) generally, to provide safe, sanitary and decent  
4 housing for all persons in the Marshall Islands,  
5 and in that respect to assist in the carrying  
6 out of the responsibilities of the Cabinet under  
7 Article V, Section 1(3)(i) of the Constitution  
8 to make reasonable and necessary provision to  
9 achieve an adequate standard of living for the  
10 people of the Marshall Islands.

11 (2) In the administration of this Act, preference may be  
12 given first to citizens and then to permanent residents of the Marshall  
13 Islands, but this subsection is not mandatory.

14 Section 5. Administration.

15 (1) Subject to this Act, the Housing Authority is responsible  
16 for the administration of this Act.

17 (2) The Housing Authority is responsible to the Minister.

18 Section 6. Declaration of public purposes, etc.

19 It is hereby declared that it is the opinion of the Nitijela  
20 that the purposes of this Act, and of the Housing Authority under this  
21 Act, are public purposes, and that the use of land or property for any  
22 of those purposes is public use.

23 PART III. -- THE HOUSING AUTHORITY.

24 Section 7. Establishment of the Authority.

25 A Marshall Islands Housing Authority is hereby established.

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1           Section 8. Incorporation of the Authority.

2                   (1) The Housing Authority --

3                           (a) is a corporation; and

4                           (b) has perpetual succession; and

5                           (c) shall have a seal; and

6                           (d) may sue and be sued in its corporate name; and

7                           (e) for the purpose of its functions, has all the  
8                                   powers, functions, duties and responsibilities  
9                                   of a corporation.

10                   (2) The provisions of 37 TTC (1980 Edn.) (corporations,  
11                   partnerships and associations) do not apply to or in relation to the  
12                   Housing Authority.

13           Section 9. Membership of the Authority.

14                   (1) Subject to Subsection (2), the Housing Authority shall  
15                   consist of five members appointed by the Cabinet.

16                   (2) In addition, the Secretary of Finance, the Secretary of  
17                   Public Works and the Planning Officer are ex officio members of the  
18                   Housing Authority, but do not have the right to vote and shall not be  
19                   counted towards a quorum for any purpose.

20                   (3) In the event of the absence or inability to act, or  
21                   the suspension under Section 12(4), of a full member of the Authority,  
22                   the Minister may appoint a person (other than an ex officio member of  
23                   the Authority) to act as a full member of the Authority during the  
24                   absence or inability.

25                   (4) The Minister shall cause notice of an appointment under  
26                   Subsection (1) or (3) to be published in the Government Gazette.

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1           Section 10. Compensation.

2                   (1) Full members of the Authority (other than members of  
3 the Public Service) shall receive -

4                           (a) a sitting fee for each day on which the Authority  
5                           meets, at such rate, or in accordance with such  
6                           scale of rates, as is fixed by or under the  
7                           regulations made under Section 43; and

8                           (b) per diem and travelling and other expenses at the  
9                           standard rate applicable to Secretaries of  
10                          Departments.

11                   (2) In addition, the Chairman and Vice-Chairman shall receive  
12 a fee at such rate, or in accordance with such scale of rates, as is fixed  
13 by or under the regulations made under Section 43.

14                   (3) Ex officio members of the Authority, and full members  
15 of the Authority who are members of the Public Service, are entitled  
16 to no compensation or other payment for or in respect of their services  
17 on or in connexion with the Housing Authority, other than their official  
18 entitlements as members of the Public Service.

19           Section 11. Term of office.

20                   (1) Subject to Subsection (2) and to Section 12, the term of  
21 office of a full member of the Authority is four years.

22                   (2) Of the first full members of the Authority -

23                           (a) two shall be appointed for terms of four years; and

24                           (b) one shall be appointed for a term of three years; and

25                           (c) one shall be appointed for a term of two years; and

26                           (d) one shall be appointed for a term of one year.

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1                   (3) When an appointment is made in accordance with Section  
2 12(5) to fill a casual vacancy, the appointment is for the unexpired  
3 term of office under this section of the member to whose place the  
4 appointment is made.

5           Section 12. Vacation of office.

6                   (1) A full member of the Authority vacates his office -

7                   (a) on death; or

8                   (b) subject to Subsection (2), if he resigns his office  
9                   by writing addressed to the Minister; or

10                   (c) if he is removed from office under Subsection (3).

11                   (2) A resignation under Subsection (1)(b) takes effect when  
12 it is received by the Minister, or on such later date as is agreed between  
13 the Minister and the member of the Authority concerned.

14                   (3) The Cabinet may remove a full member of the Authority  
15 from office for -

16                   (a) incapacity; or

17                   (b) inefficiency; or

18                   (c) neglect of duty; or

19                   (d) misconduct in office.

20                   (4) The Minister may suspend a full member of the Authority  
21 from office on a ground set out in Subsection (3), pending a decision  
22 under that subsection.

23                   (5) If a casual vacancy occurs in the office of a full member  
24 of the Authority, the Cabinet may, subject to Section 11(3), appoint a  
25 person to fill the vacancy.

26                   (6) The Minister shall cause notice of the vacation of the

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1 office of a member of the Authority under Subsection (1), and of the  
2 appointment of a person under Subsection (5), to be published in the  
3 Government Gazette.

4 Section 13. Chairman, Vice-Chairman and Treasurer.

5 (1) The Housing Authority may appoint a full member of the  
6 Authority to be the Chairman of the Authority, and another full member  
7 to be the Vice-Chairman, and may remove either of them from office at any  
8 time, with or without cause.

9 (2) The Secretary of Finance, or an officer of the Department  
10 of Finance nominated by the Secretary for the purpose, is the Treasurer of  
11 the Authority.

12 (3) In the event of a vacancy in the office of the Chairman,  
13 or of the absence or inability to act, or the suspension under Section  
14 12(4), of the Chairman, the Vice-Chairman has all the powers, functions,  
15 duties and responsibilities of the Chairman.

16 (4) The powers, functions, duties and responsibilities of the  
17 Chairman, Vice-Chairman and Treasurer are as prescribed by this Act or  
18 the regulations made under Section 43, and otherwise are as determined  
19 by the Housing Authority.

20 Section 14. Procedures of the Authority.

21 (1) Subject to Subsection (2), the Housing Authority shall  
22 meet at such times and places as are appointed by the Chairman or the  
23 Authority, and at such other times and places as are directed by the  
24 Minister in writing.

25 (2) The Chairman shall convene a meeting of the Housing  
26 Authority on the written request of three or more members of the Authority  
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1 (including at least one full member of the Authority).

2 (3) The Minister may, in writing, direct the Housing  
3 Committee to consider at any meeting any matter specified by him, and the  
4 Authority shall consider the matter accordingly.

5 (4) All members of the Authority are entitled to notice  
6 of any meeting of the Authority, and to the proposed agenda and papers for  
7 the meeting.

8 (5) The Chairman, or in his absence from a meeting the Vice-  
9 Chairman, shall preside at all meetings of the Housing Authority at which  
10 he is present, and in the absence of both the Chairman and the Vice-Chairman  
11 a full member of the Authority elected by the full members present shall  
12 preside.

13 (6) The quorum for a meeting of the Housing Authority is  
14 three full members.

15 (7) Subject to Subsections (6) and (8), the validity of any  
16 proceedings of the Housing Authority is not affected by -

- 17 (a) any vacancy in the membership of the Authority; or  
18 (b) the fact that a person who was not a member of the  
19 Authority took part in its proceedings.

20 (8) Subject to Subsection (9), all questions before a meeting  
21 of the Housing Authority shall be decided by a majority of the votes of the  
22 full members of the Authority present and voting, and in the event of an  
23 equality of votes on a question the member presiding has a casting, as well  
24 as a deliberative, vote.

25 (9) If a question comes up for decision at a meeting of the  
26 Housing Authority at which all the full members in office are not present,

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1 any two members of the Authority may require that the decision be deferred  
2 until the next meeting, and the member presiding shall defer the  
3 decision accordingly.

4 (10) The Chairman shall cause minutes of all meetings of  
5 the Housing Authority to be taken and kept, and the minutes shall be  
6 distributed to -

7 (a) all members of the Authority; and

8 (b) the Minister.

9 (11) Subject to this Act and to the regulations made under  
10 Section 43, the procedures of the Housing Authority are as determined by it.

11 Section 15. Disclosure of, and disqualification for, interest.

12 (1) If a member of the Authority has a personal interest  
13 in the subject-matter of any question before a meeting of the Housing  
14 Authority -

15 (a) he shall disclose his interest at the meeting; and

16 (b) he shall take no part in the deliberations

17 (except as directed by the Authority) or in the  
18 decision of the Authority on the question.

19 (2) A disclosure or direction under Subsection (1) shall  
20 be recorded in the minutes.

21 (3) Unless the Minister directs otherwise, failure to comply  
22 with the provisions of Subsection (1) or (2) does not invalidate any  
23 proceedings of the Housing Authority.

24 Section 16. Acquisition of certain property.

25 (1) In this section, a reference to a member of the Authority,  
26 or to a member of the staff of the Authority, includes, as necessary,

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1 a reference to a former member of the Authority (other than an acting  
2 member, whether full or ex officio) and a former member of the staff of  
3 the Authority who was appointed to the staff of the Authority in accordance  
4 with Section 18(2) or (3).

5 (2) Subject to Subsection (3), during his term of office as  
6 such, and for one year afterwards, no member of the Authority, and no  
7 member of the staff of the Authority, shall voluntarily acquire any  
8 interest in any property that is included, or is planned to be included,  
9 in any housing project, or in any contract or proposed contract related  
10 to any housing project.

11 (3) Subsection (2) does not apply if prior approval is  
12 obtained from the Cabinet.

13 (4) If any member of the Authority, or any member of the  
14 staff of the Authority -

15 (a) has acquired, before the commencement of his term  
16 of office as such; or

17 (b) during that term, or within one year after that  
18 term expires, acquires,

19 whether voluntarily or involuntarily, any interest referred to in  
20 Subsection (2) -

21 (a) he shall immediately disclose his interest to the  
22 Authority; and

23 (b) he shall not take part in any action by the  
24 Authority in relation to the property or contract.

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1           Section 17. Misconduct in public office.

2                   A failure to comply with Section 15 or 16 is misconduct in  
3 public office within the meaning of 11 TTC S. 1051 (1980 Edn.).

4           Section 18. Staff of the Authority.

5                   (1) The staff of the Housing Authority shall consist of  
6 members of the Public Service.

7                   (2) There shall be a Secretary to the Housing Authority, who  
8 shall be an officer of the Department of the Minister.

9                   (3) The Public Service Commission, after consultation with  
10 the Housing Commission, may allocate officers of the Department of the  
11 Minister to form the staff of the Authority.

12                   (4) In addition to officers allocated under Subsection (3),  
13 the Public Service Commission may make the services of other members  
14 of the Public Service available to the Housing Authority on a casual  
15 or part-time basis.

16                                   PART IV. - POWERS AND FUNCTIONS OF THE AUTHORITY.

17           Section 19. Policies of the Authority.

18                   (1) Subject to this Act and in particular to this section,  
19 the Housing Authority is responsible for determining its own policies for  
20 carrying out of the purposes of this Act.

21                   (2) The Housing Authority shall keep the Minister informed  
22 of the policies of the Authority.

23                   (3) The Minister may at any time give to the Housing Authority  
24 written directions as to policy.

24                   (4) If the Housing Authority considers that a policy direction  
26 under Subsection (3) -

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1 (a) is not in the best interest of the carrying out of  
2 the purposes of this Act; or

3 (b) is not reasonably within its financial capabilities,  
4 the Authority may so advise the Cabinet, in writing, but until the Cabinet  
5 orders otherwise the Authority shall carry out that policy.

6 (5) A copy of any direction under Subsection (3), and of any  
7 advice or order under Subsection (4), shall be presented, as soon as  
8 practicable, by the Minister to the Nitijela.

9 Section 20. General functions of the Authority.

10 (1) Subject to this Act, the functions of the Housing  
11 Authority are to carry into effect, and to assist and co-operate with other  
12 authorities in carrying into effect, the purposes of this Act as set out  
13 in Section 4, and in particular -

- 14 (a) to establish a housing program for low-income families  
15 in accordance with Section 22; and
- 16 (b) to make or guarantee loans to individuals, groups or  
17 associations, in accordance with Part VI., to assist  
18 in the construction or purchase of low-cost housing; and
- 19 (c) to undertake or carry out studies, analysis,  
20 researches and investigations of living and housing  
21 conditions, to determine where overcrowded or blighted  
22 areas exist and where there is a shortage of safe,  
23 sanitary and decent housing, and to make decisions  
24 and recommendations as to methods of dealing with such  
25 matters; and

- 
- 1 (d) to make plans necessary or useful for the carrying  
2 out of the purposes of this Act, and, without limiting  
3 the generality of that function, to include in those  
4 plans -
- 5 (i) plans for the construction of housing for low-  
6 income families; and
- 7 (ii) plans for carrying out a program of voluntary  
8 repair and rehabilitation of buildings and  
9 improvements; and
- 10 (iii) plans for the enforcement of laws relating  
11 to the use of land and the use and occupancy  
12 of buildings and other improvements, and to the  
13 repair, rehabilitation, demolition or removal of  
14 buildings and structures; and
- 15 (e) to develop, test and report techniques, and to carry  
16 out demonstrations and other activities, for the  
17 prevention and elimination of overcrowded or blighted  
18 areas; and
- 19 (f) to conduct examinations and investigations on any  
20 matters material to the functions and operations  
21 of a housing program.

22 (2) The Housing Authority shall make available to the public  
23 the results of its studies, analysis, researches, investigations, tests  
24 and examinations made in accordance with Subsection (1), and any plans  
25 developed under Subsection 1(d).

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1           (3) It is a special function of the Housing Authority to seek  
2 the advice and co-operation of the public and of relevant authorities in the  
3 performance of its functions, and to make recommendations and give advice  
4 to other authorities concerned with, or with matters relating to or which  
5 may affect or be affected by, the functions of the Authority.

6           Section 21. Powers of the Authority.

7           (1) Subject to this Act and to any other law, the Housing  
8 Authority has, in addition to any other powers conferred by this Act,  
9 all powers that are necessary or convenient for carrying out its functions.

10          (2) Without limiting the generality of Subsection (1) but  
11 subject to this Act and any other law, the Housing Commission may -

- 12           (a) make contracts and other instruments necessary or  
13           convenient for the exercise and performance of its  
14           powers and functions; and  
15           (b) borrow money and accept advances, contributions  
16           and other assistance, in accordance with Section 28; and  
17           (c) acquire property, or any interest in or in relation  
18           to property, and own, hold, improve, develop or clear,  
19           or prepare for development, conservation or  
20           rehabilitation, any property; and  
21           (d) build, construct, manage, operate and maintain  
22           housing projects, and install, construct and  
23           reconstruct streets, utilities, parks, playgrounds and  
24           other public improvements; and  
25           (e) insure, or provide for the insurance of, any property,

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1 project or operation against all or any risks and  
2 hazards, with an insurer approved by the Minister; and  
3 (f) sell, lease, exchange, transfer, mortgage, pledge  
4 or otherwise dispose of or encumber any property, or  
5 any interest in or in relation to any property; and  
6 (g) lease or sell any land, dwelling, accommodation,  
7 structure or facility in any housing project; and  
8 (h) make by-laws, not inconsistent with this Act or the  
9 regulations made under Section 43, providing for its  
10 internal organization and the management of its  
11 affairs and operations and for carrying out its powers,  
12 functions, duties and responsibilities; and  
13 (i) with the approval of the Minister, establish standards  
14 of eligibility for, and rules regarding, admission  
15 to and occupancy of any land, dwellings, accommodation,  
16 structures or facilities in housing projects; and  
17 (j) co-operate with other persons and authorities with  
18 regard to any of the above-mentioned matters.

19 (3) The Housing Authority shall not complete with or duplicate  
20 the workings of any other authority, except with the approval of Cabinet.

21 Section 22. Housing programs for low-income families.

22 (1) It is a special responsibility of the Housing Authority to  
23 carry out a program of housing for low-income families, and for that  
24 purpose to construct, manage and operate housing projects.

25 (2) Projects referred to in Subsection (1) shall be constructed,  
26 managed and operated in the most economical and efficient way, consistent  
27 with the requirements of any applicable law and with the responsibilities

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1 of the Authority, so as to enable the Authority to fix prices, rents or  
2 charges for dwellings and other accommodation at low levels consonant with  
3 the purpose of providing safe, sanitary and decent housing for low-income  
4 families.

5 (3) The Housing Authority shall fix rents and charges for  
6 dwellings and other accommodation in such housing projects at rates no  
7 higher than it determines, with the approval of the Minister, to be necessary  
8 to produce revenues that, with all other available financial sources of the  
9 Authority (including in particular any financial assistance provided by the  
10 Government or otherwise to maintain the low-rent character of the dwellings  
11 and other accommodation), will be sufficient -

12 (a) to pay, as they become due, the principal, interest  
13 and charges on and related to any obligations of the  
14 Authority entered into to finance the housing program;  
15 and

16 (b) to establish and maintain reserves required to assure  
17 the payment of such principal, interest and charges  
18 as they become due; and

19 (c) to meet the cost of, and to provide for -

20 (i) the maintenance and operation of the program  
21 and of related housing projects, including  
22 any necessary reserves for those purposes; and

23 (ii) the costs of insurance; and

24 (iii) the administrative expenses of the Authority.

25 (4) Rents and charges shall be established, and housing  
26 projects shall be administered, consonant to the greatest degree practicable

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1 with the purposes of this Act, so as to ensure that any financial assistance  
2 shall be the minimum, and for the minimum period, that is required to  
3 maintain the low-rent character of the projects.

4 (5) Subject to this Act and the regulations made under  
5 Section 43, the Housing Authority shall rent or lease dwellings and other  
6 accommodation in such housing projects only to families or individuals  
7 who fall within the definition "low-income family" in Section 2, and shall  
8 establish rents and charges that are reasonably within the respective means  
9 of the families or individuals concerned.

10 (6) Nothing in this Act prevents the Housing Authority  
11 from adjusting prices, rents and charges to the circumstances of different  
12 communities.

13 PART V. FINANCE.

14 Section 23. The budget of the Authority.

15 (1) The Housing Authority shall submit to the Minister, at  
16 such time as is directed by the Minister of Finance, annual estimates  
17 of revenue and expenditure covering its anticipated operations for the  
18 following 12-month period, for approval by the Cabinet.

19 (2) The Housing Authority may submit to the Minister from time  
20 to time supplementary estimates of revenue and expenditure, for approval  
21 by the Cabinet.

22 (3) The estimates shall in such form and contain such  
23 information and certification as the Minister of Finance directs.

24 (4) Except with the specific authority of the Cabinet, or in  
25 case of urgency of the Minister, money shall not be expended out of the  
25 Housing Fund otherwise than in accordance with estimates submitted under  
26 Subsection (1) or (2) and approved by the Cabinet.

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1           Section 24. The Housing Fund.

2                   (1) A Housing Fund is hereby established, for the specific  
3 purpose of the administration of this Act.

4                   (2) The Housing Fund is a fund other than the Marshall  
5 Islands General Fund, within the meaning and for the purpose of Article VIII,  
6 Section 3(2) of the Constitution.

7           Section 25. Payments into the Fund.

8                   There shall be paid into the Housing Fund -

9                   (a) any money appropriated by the Nitijela for the  
10 purposes of this Act; and

11                   (b) any money standing, immediately before the effective  
12 date of this Act, to the credit of the district  
13 housing authority for the Marshall Islands created  
14 by 46 TIC (1980 Edn.); and

15                   (c) any other amounts received by the Housing Authority  
16 under or for the purposes of this Act, including the  
17 proceeds of the sale, lease or other disposition of  
18 property of the Authority, and repayments of loans  
19 under Part VI.

20           Section 26. Payments out of the Fund.

21                   (1) Money may be paid out of the Housing Fund only for -

22                   (a) the acquisition of property by the Housing Authority  
23 for the purposes of this Act; and

24                   (b) the making of loans, or meeting liabilities arising  
25 out of guarantees, under Part VI; and

26                   (c) the purposes of working capital and petty cash

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1 and similar purposes, within limits approved by  
2 the Minister; and

3 (c) other costs and expenses of the Authority  
4 and of the administration of this Act.

5 (2) No money may be withdrawn from the Housing Fund  
6 except -

7 (a) by, or in accordance with, a decision of the  
8 Housing Authority; and

9 (b) with the authority of the Secretary of  
10 Finance, who shall satisfy himself that the  
11 withdrawal is made in accordance with this  
12 Act.

13 (3) A delegation under Article VIII, Section 5(1)  
14 of the Constitution to expend money out of the Housing Fund  
15 is given to the Secretary of Finance.

16 Section 27. Accounts and records.

17 (1) The Treasurer shall maintain proper accounts and  
18 records of the Housing Fund, and of the disposition of money paid out of  
19 the Fund, and the accounts to be laid before the Nitijela by the Minister  
20 of Finance under Article VIII, Section 5(4) of the Constitution shall  
21 include accounts relating to the Fund.

22 (2) The accounts and records maintained under Subsection (1)  
23 are subject to audit under Article VIII, Section 15 of the Constitution.

24 Section 28. Borrowings, etc.

25 (1) With the approval of the Cabinet and subject to such  
26 conditions and within such limits as it imposes, and subject to Subsections

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1 (2) and (4), the Housing Authority may borrow money, on overdraft or  
2 otherwise, for its purposes and the purposes of this Act.

3 (2) Except with the approval of the Minister, no property  
4 of or under the control of the Housing Authority shall be made security  
5 for any borrowing under Subsection (1).

6 (3) Subject to any directions of the Minister and to  
7 Subsection (4), the Housing Commission may accept advances, grants,  
8 contributions, gifts and other forms of assistance for its purposes and the  
9 purposes of this Act.

10 (4) No money may be borrowed, and no advance, grant,  
11 contribution, gift or assistance may be accepted, from the Government of  
12 the United States or any of its agencies, or from any other source outside  
13 the Marshall Islands, except through the Government of the Marshall Islands  
14 or with the concurrence of the Cabinet.

15 (5) Where any money is borrowed, or any advance, grant,  
16 contribution, gift or assistance is received, for a specific purpose or  
17 subject to conditions, it may be expended or used only for that purpose or  
18 subject to those conditions.

19 Section 29. Investment.

20 Subject to any directions of the Minister of Finance, moneys  
21 standing to the credit of the Housing Fund or withdrawn from the Fund  
22 in accordance with Section 26(1)(c) and not immediately required may be  
23 invested --

24 (a) on deposit or on call with any bank or financial  
25 institution approved by the Minister of Finance for  
26 the purpose; or

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1 (b) in any manner in which moneys in the Marshall Islands  
2 General Fund may be invested.

3 PART VI. HOUSING LOANS AND GUARANTEES.

4 Division 1. Loans.

5 Section 30. Grant of loans.

6 (1) The Housing Authority may make loans to individuals,  
7 groups and associations to assist in the construction and purchase of  
8 low-cost housing for borrowers.

9 (2) Notwithstanding anything in Section 3, a loan shall  
10 not be made by a delegate of the Housing Authority under that section  
11 without the prior approval of the Authority, which may be granted either  
12 generally or in a specific case.

13 (3) An applicant for a loan may contribute equity in the form  
14 of land, building material, cash or labor.

15 Section 31. Limits on loans.

16 (1) Subject to Subsection (2), the by-laws made under Section  
17 21(2)(h) may establish income limits, adjusted by household size, beyond  
18 which no loan may be granted except with the prior approval of the Minister  
19 and subject to such conditions as he determines.

20 (2) Limits established under Subsection (1) shall be devised  
21 in such a way as to insure maximum participation in the housing program  
22 by low-income families.

23 (3) No loan shall be made for the construction or purchase  
24 of any housing unit in excess of 90% of its value (including the value of  
25 the land on which it is to be constructed or which is to be acquired with it).

26 (4) A loan shall not be made to pay or repay any prior

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1 indebtedness.

2 (5) The amount of a loan shall not exceed an amount fixed  
3 by the by-laws made under Section 21(2)(h).

4 Section 32. Interest.

5 (1) Subject to this section, loans shall bear interest at  
6 such rate as is fixed by the by-laws made under Section 21(2)(h).

7 (2) In the case of a loan made from grants, loans or subsidies  
8 to the Housing Authority by the Government, or by any governmental authority  
9 outside the Marshall Islands or an international lending institution, interest  
10 shall not exceed 4 1/2% per annum.

11 (3) The interest on a loan shall be at least 1% per annum  
12 less than the prime interest rate offered by commercial financial  
13 institutions offering loans for purposes referred to in Section 30(1).

14 Division 2. Guarantees.

15 Section 33. Grant of guarantees.

16 Subject to Section 34, the Housing Authority may guarantee  
17 any loan made to an individual, group or association for a purpose referred  
18 to in Section 30(1).

19 Section 34. Limits on guarantees.

20 A loan that does not conform to the limits imposed by Section 31  
21 on loans by the Housing Authority shall not be guaranteed under Section 33.

22 Division 3. General.

23 Section 35. Form of loans and guarantees.

24 (1) Subject to Subsection (2), a loan or guarantee under  
25 this Part shall be in such form and subject to such conditions as are  
26 prescribed by the by-laws made under Section 21(2)(h), or in such other form

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1 or subject to such other provisions as, in special circumstances, the  
2 Housing Authority determines, and shall, subject to Section 30(3), provide  
3 for such security (if any) as is so prescribed.

4 (2) The form and conditions of a loan shall be as approved  
5 by the Attorney-General either generally or in a particular case, but  
6 failure to obtain such approval does not invalidate a loan.

7 PART VII. MISCELLANEOUS.

8 Section 36. Compliance with other laws.

9 All housing projects, and all work associated with housing  
10 projects or otherwise for the purposes of this Act, shall comply with the  
11 planning, zoning, sanitary and building laws applicable to the community  
12 in which the project is or is to be situated or the work done.

13 Section 37. Co-operation by Government agencies.

14 (1) The Government and all Departments, offices or agencies  
15 of the Government, and all other public bodies, shall co-operate with the  
16 Housing Authority, at the request of the Authority, in all practicable and  
17 reasonable ways, in the performance of the functions of the Authority under  
18 this Act.

19 (2) In particular, the Government shall provide such staff and  
20 office and other accommodation as is reasonably necessary in order to  
21 enable the Housing Authority to carry out its functions under this Act.

22 (3) The Attorney-General shall, without charge, provide the  
23 Housing Authority with all necessary legal advice and assistance.

24 Section 38. Taxation.

25 (1) The income, property and transactions of the Housing Authority  
26 are not subject to any tax, rate, charge or impost under any law in effect

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1 in the Marshall Islands.

2 (2) The Housing Authority may agree to make such payments in  
3 lieu of taxes, rates, charges or imposts to the Government or to any  
4 local government as it finds consistent, from time to time, with the  
5 maintenance of the low-rent character of housing projects.

6 Section 39. Immunity of property.

7 (1) Subject to Subsection (2) the property (including funds)  
8 of the Housing Authority is exempt from judicial process of any kind  
9 (including, but without limiting the generality of that expression, attachment,  
10 levy, execution and sale by virtue of an execution), and no judgement is  
11 a lien on its property or funds.

12 (2) Subsection (1) does not apply in respect of the enforcement  
13 of any security given in accordance with Section 28 over any property  
14 or under the control of the Authority.

15 Section 40. Reports.

16 (1) The Housing Authority shall, at least once a year and at such  
17 other times as the Nitijela or the Minister directs, make a report to the  
18 Minister on its operations and on the administration of this Act, with any  
19 comments and recommendations for improvement that it considers desirable.

20 (2) The Housing Authority may at any other time make a report  
21 to the Minister on any aspect of its operations or of the administration  
22 of this Act.

23 (3) The Minister shall -

24 (a) present any report made by the Housing Authority under  
25 Subsection (1) or (2) to the Nitijela, together with his  
26 comments; and

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1 (b) at least once a year and at such other times as he  
2 thinks fit or the Nitijela orders, make a report  
3 to the Nitijela on the achievement of the purposes  
4 of this Act.

5 Section 41. Repeal.

6 46 TTC (1980 Edn.), in its application to the Marshall Islands,  
7 is repealed.

8 Section 42. Transitional provision.

9 (1) All assets, liabilities, rights and obligations in and  
10 in relation to the Marshall Islands of the territorial housing commission  
11 or the district housing authority for the Marshall Islands created by  
12 46 TTC (1980 Edn.), and in existence immediately before the effective  
13 date of this Act, are transferred to and are assets, liabilities, rights  
14 and obligations of the Housing Authority.

15 (2) If after the making of this Act and before the effective  
16 date the Cabinet makes an appointment to the Housing Authority, that  
17 appointment becomes effective on that date.

18 Section 43. Regulations.

19 The Cabinet may make regulations, not inconsistent with this  
20 Act, prescribing all matters that are required or permitted by this Act  
21 to be prescribed by regulations, or that are necessary or convenient to  
22 be prescribed for carrying out the purposes of this Act.

23 Section 44. Effective date.

24 This Act becomes effective on the day on which it becomes law.

25 Certificate

26 I hereby certify:

27 (1) that the above Nitijela Bill No. 12 has been passed by the

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1 Nitijela of the Marshall Islands on the 1st day of February 1983; and

2 (2) that I am satisfied that Bill No. 12 has been passed in  
3 accordance with the Constitution of the Marshall Islands and the Rules  
4 of the Nitijela.

5 I hereby place my signature before the Clerk of the Nitijela this 11th  
6 day of February, 1983.

7

8 /s/ Atlan Anien  
Atlan Anien, Speaker  
9 Nitijela of the Marshall Islands

10

11 Attest:

12

13 /s/ Donald F. Capelle  
Donald F. Capelle, Clerk  
14 Nitijela of the Marshall Islands

15

16 Concurred by the High Commissioner Janet McCoy

17 3/4/83