

[Act No. 3532, October 24, 1929]

AN ACT TO AMEND ACT NUMBERED THIRTY-THREE HUNDRED AND THIRTY-FIVE, ENTITLED "AN ACT TO CREATE A SPECIAL FUND FOR LOANS TO PROVINCES, MUNICIPALITIES, AND CHARTERED CITIES, AND TO APPROPRIATE THE SUM OF THREE MILLION FIVE HUNDRED THOUSAND PESOS FOR THIS PURPOSE," AND FOR OTHER PURPOSES.

Be it enacted by the Senate and House of Representatives of the Philippines in Legislature assembled and by the, authority of the same:

SECTION 1. Act Numbered Thirty-three hundred and thirty-five, entitled "An Act to create a special fund for loans to provinces, municipalities, and chartered cities, and to appropriate the sum of three million five hundred thousand pesos for this purpose," is hereby amended in certain particulars, so that hereafter the said Act shall read as follows:

"SECTION 1. The sum of three million five hundred thousand pesos is hereby appropriated, out of any funds in the Insular Treasury not otherwise appropriated, to form a special fund which shall be denominated 'Loan Fund.' This fund shall constitute a reimbursable account and shall, together with its future accretions derived from its operating income and subsequent appropriations, be invested in loans to provinces, municipalities, and chartered cities at a rate of interest not to exceed four per centum per annum, for the construction or acquisition of permanent public improvements and for the payment of the provincial or municipal share of the cost of duly authorized cadastral surveys.

"SEC. 2. A Loan Board is hereby created which shall be composed of three members who shall be appointed by the Governor-General, with the consent of the Senate among the officers of the Insular Government, and who shall serve without additional compensation under this Act. This Board shall manage the fund hereby created, and shall establish rules and conditions for the granting of said loans: *Provided, however,* That no loan shall be granted for a period in excess of ten years: *Provided, further,* That no loan shall be granted in excess of one hundred and fifty thousand pesos to a province and of fifty thousand pesos to a municipality or chartered city: *Provided, also,* That no loan from this fund nor interest on such loan shall be remitted under any consideration: And provided, finally, That no loan shall be granted unless the province, municipality, or city concerned shall first have demonstrated its capacity to repay the same within the time stipulated for such payment.

"SEC. 3. In addition to the duties now imposed upon him by law, the Insular Treasurer shall act as the executive officer of the Loan Board, shall keep a record of all operations concerning the Loan Fund, shall collect all monies due said fund, and shall make all payments payable by the same, under the supervision of said Board: *Provided,* That the expenses of the Board from January first. nineteen hundred and thirty, shall be in accordance with the appropriations that may be authorized in