



1                   (6) Any five (5) members of the Council shall constitute a quorum, and a  
2 concurrence of five members shall be necessary for any official action taken by the Council.

3                   (7) No vacancy in membership of the Council shall impair the right of a  
4 quorum to exercise all the rights and perform all the duties of the Council.

5                   (8) Members of the Council shall be compensated at the rates established  
6 for Agency governing bodies when actually attending meetings of the Council except that those  
7 members who are employees of the Kosrae State Government and other cooperative entities shall  
8 receive such compensation when meetings or council functions are held at times other than  
9 regular Government working hours. All members shall also receive travel expenses and per  
10 diem at Kosrae State Government rates when those amounts would be payable to Kosrae State  
11 Government employees in the same circumstances.

12                   (9) Council members shall serve at the pleasure of the Governor and until  
13 a replacement has been duly appointed and confirmed.

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15                   Section 7.1504. Assistance of government agencies. The Council may, from time to  
16 time, call upon of any government agency or association of local government officials to  
17 participate in its deliberations, when such agency is directly or indirectly concerned with and/or  
18 affecting the growth and development of private business enterprises in any particular area or  
19 manner.

20                   Section 7.1505. Technical assistance. The Governor shall provide the Council with  
21 necessary technical and legal assistance through the departments, and offices of the Kosrae State  
22 Government. If the Attorney General is unable to provide sufficient legal counsel, the Council  
23 may seek independent counsel.

24                   Section 7.1506. Powers and functions. The Small Business Development Council  
25 (SBDC) shall have the following powers, duties and functions:

1                   (1) Help establish the needed environment and opportunities conducive  
2 for the growth and development of the private business enterprise sector;

3                   (2) Make recommendations to the Governor and the Legislature on all  
4 policy matters affecting private business enterprises;

5                   (3) Formulate a comprehensive private business enterprise development  
6 plan to be integrated into the State's Five Year Development Plans;

7                   (4) Coordinate and integrate various government and private sector  
8 activities relating to private business enterprises development;

9                   (5) Review existing government agency policies that affect the growth and  
10 development of private business enterprises and recommend changes to the Governor and/or to  
11 the Legislature when necessary. This shall include efforts to simplify rules and regulations, as  
12 well as procedural and documentary requirements in the registration, financing and other  
13 activities relevant to private business enterprises;

14                   (6) Monitor and determine the progress of programs geared towards the  
15 development of the private sector. This shall include overseeing, in coordination with local  
16 government units and private sector groups/associations, the development of private business  
17 enterprises;

18                   (7) Promulgate implementing rules and regulations, guidelines, programs,  
19 and operating principles as may be needed in light of government policies and objectives of this  
20 act;

21                   (8) Provide a framework for assisting relevant government agencies in  
22 obtaining national and foreign funding for private business enterprise development, including  
23 manpower skills development;

24                   (9) Promote the productivity and viability of private enterprises by way of  
25 directing and/or assisting relevant government agencies and institutions at the state and local

1 levels towards the:

2 (a) provision of business training courses, technical training for  
3 technicians and skilled laborers, and other continuing skills upgrading programs;

4 (b) provision of guidance and assistance regarding product  
5 quality/product development and product diversification;

6 (c) provision of guidance and assistance for the adoption of improved  
7 production techniques and commercialization of appropriate technologies for product  
8 development and for increased utilization of indigenous raw materials;

9 (d) provisions of assistance in the marketing and distribution of  
10 products of private business enterprises through local supply and demand information, industry  
11 profiles, and overseas marketing promotion;

12 (e) provision of assistance and guidance to enable greater access to  
13 credit through better information about lenders' requirements;

14 (f) the encouragement of measures such as insurance against  
15 extraordinary disasters;

16 (g) provision of support for product experimentation and research  
17 and development activities as well as access to information on commercialized technologies;

18 (h) identification and notification to the government where poor  
19 infrastructure facilities and public utilities are an undue constraint to the development of the  
20 private sector;

21 (10) Submit to the Governor and Legislature a yearly report on the status of  
22 private business enterprises in the State, including the impact of all relevant private sector  
23 activities and government policies, programs, and legislation,

24 (11) Generally, to exercise all powers and functions necessary for the  
25 attainment of the objectives and purposes of Business Development Act of 2004.

1           The powers and functions contained in this Section are to be accomplished with the  
2 assistance of the Small Business Development Center and any specific duty or function may be  
3 delegated to the Center.

4           Section 7.1507. Creation of Business Development Center. The Small Business  
5 Development Center (SBDC) is to have primary responsibility to provide training and business  
6 support services to private enterprises. The SBDC shall provide, promote and develop modes  
7 and services to assist businesses, including but not limited to, entrepreneurship training and  
8 development, business training and counseling, assisting in accessing financial resources, and  
9 business development information dissemination. In addition to its normal activities and  
10 function as defined by an established MOU between the Kosrae State Government and the  
11 Pacific Islands Small Business Development Center Network (PISBDCN), it is hereby  
12 designated as Business Development Council Secretariat.

13           Section 7.1508. Functions as Secretariat of Small Business Development Council. As  
14 Council Secretariat, the Small Business Development Center shall, in addition to assisting the  
15 Council with the functions and duties set forth in Section 7.1506, have the following powers,  
16 duties and functions:

17                   (1) To prepare, in coordination with local governments and/or associations of  
18 local government officials, and recommend annual as well as medium-term private business  
19 enterprise development plans for approval of the Council;

20                   (2) To coordinate the preparation of position papers and background materials  
21 for discussion or approval during Council meetings;

22                   (3) To assist the Council in coordinating and monitoring private business  
23 enterprise policies and programs and activities of all government agencies with respect to private  
24 business and enterprises;

25                   (4) To prepare, collate and integrate all inputs to the Council's yearly report on

1 the status of private enterprises in Kosrae State;

2 (5) To submit periodic reports to the Council on the progress and  
3 accomplishments of its work programs; and

4 (6) To perform ad hoc functions as authorized by the Council.

5 Section 7.1509. Structure of the Small Business Development Center. The Small  
6 Business Development Center shall:

7 (1) Be located at the College of Micronesia – Kosrae Campus with such  
8 extension offices as the Council deems appropriate;

9 (2) Be under the policy and program supervision of the Council;

10 (3) Conform its staff policies, standards, and compensation levels to that of  
11 employees of the State of Kosrae;

12 (4) Be jointly supported by the Kosrae State Government and the College of  
13 Micronesia;

14 (5) The SBDC may establish fees for its services and shall retain said fees in a  
15 separate revolving account to support and promote private enterprises. Fees established shall:

16 (a) be approved by the Business Development Council;

17 (b) take into consideration the complexity and cost of the services  
18 provided, as well as the size and resources of the enterprise to whom the service is provided.

19 Section 3. Effective Date. This act takes effect upon the approval of the Governor or  
20 upon its becoming law without such approval.

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1 PASSED BY THE NINTH KOSRAE STATE LEGISLATURE ON THE 30<sup>TH</sup> DAY OF JULY  
2 2007

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6 Lyndon H. Jackson  
7 Speaker, 9<sup>th</sup> Kosrae State Legislature

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10 Attested by: \_\_\_\_\_  
11 Chief Clerk

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16 Robert J. Weilbacher  
17 Governor, State of Kosrae

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20 Date: \_\_\_\_\_

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