

TITLE 4: ECONOMIC RESOURCES
DIVISION 10: COMMONWEALTH DEVELOPMENT AUTHORITY

§ 10305. Board of Directors: Duties and Powers of the Board.

(a) *Duties of the Board.* The board shall have the following duties:

- (1) To govern the operation of the authority in a manner that further its purpose;
- (2) To take action necessary to the exercise by the authority of its powers under this division;
- (3) To adopt bylaws, and to adhere to operating policies that will assure the authority's financial vitality and best promote its development purposes;
- (4) To reserve to itself the final decision to loan applications and other proposals for authority funding of programs and projects;
- (5) To oversee administration of all authority loans and other fund allocations, and assure compliance with provisions of loan agreements; and
- (6) To adopt a budget;
- (7) To approve a report at the end of each fiscal year of the authority's activities during the year, and submit the report to the Governor and the legislature.

(b) *Powers of the Board.* The board shall have the following powers:

- (1) To exercise on behalf of the authority all powers enumerated in 4 CMC § 10203 and such additional powers as are reasonably necessary and incidental to the fulfillment of its duties under 4 CMC § 10305(a);
- (2) To employ officers and staff of the authority and to define their duties and to dismiss them, subject to the limitations imposed by this division;
- (3) To determine, subject to the restriction of this division, any use of authority funds, including the power to determine how the authority's capital shall be maintained and managed;
- (4) To allocate and expend funds for the repayment of obligations incurred by the authority in accordance with 4 CMC § 10203;
- (5) To protect the investment of the authority through the development of foreclosure policies and procedures that conform to law and are conducive to consistent administration;
- (6) To review all loan applications and other financial transactions of the authority. Except as specifically authorized in this division, only the board shall be capable of authorizing or approving the expenditure or loan of authority funds;
- (7) Subject to budgetary restraints to contract and pay for economic studies, project evaluations, feasibility studies as deemed necessary and appropriate to further the purposes of this division;
- (8) To appoint from time to time committees consisting of any three or more directors or officers of the authority; and
- (9) To delegate to any of its committees any of its powers; except the power of lending authority under this division may only be delegated to the Development Corporation Division, if the authority establishes the Development Corporation Division as a subsidiary corporation of the authority pursuant to 4 CMC § 10203(a)(30), and to a commercial bank engaged to administer loans authorized by 4 CMC § 10203(a)(14), and to the executive director under 4

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CMC § 10306(a)(4). Any committee to which any powers are so delegated may exercise those powers in the same manner and with the same effect as if they had been conferred on it directly by this division. However, if no committee shall be established that does not include at least one of the members representing Rota, one Tinian, and one Saipan.

Source: PL 4-49, § 7; amended by PL 4-63, § 2.