

AN ACT

To authorize Koror State Government to participate in Palau Coconut Industries Corporation and to make loans for such venture and for other purposes.

THE PEOPLE OF KOROR REPRESENTED IN THE LEGISLATURE
OF
THE STATE OF KOROR DO ENACT AS FOLLOW:

SECTION 1. NAME

This Act shall be know as the "Palau Coconut Industries Act of 1986".

SECTION 2. PURPOSE

The purpose of this Act is to provide employment for residents of Koror State and citizens of Palau and to stimulate the copra industry and related businesses in the Republic of Palau.

The Palau Coconut industries project is hereby declared as a public program and the State Government of Koror is authorized to participate in it.

SECTION 3. IMPLEMENTATION

A. The House of Traditional Leaders shall appoint members of the Board of Directors of the Palau Coconut Industry Corporation who represent the Koror State Government with advice and consent of the Legislature.

B. The IBEDUL Yutaka M. Gibbons as the Head and representative of Koror State Government is hereby fully empowered to negotiate and to enter into all agreements necessary to implement and to effectuate the agreements, contracts, loans, and documents that have been ratified by Legislature.

SECTION 4. LOAN AUTHORIZATION; GUARANTEE

A. The IBEDUL Yutaka M. Gibbons as the head and representative of Koror State Government is hereby authorized, on

behalf or part of the Joint Venture and/or the Palau Coconut Industries, to seek and to obtain, from private or public sources, loans not to exceed the amounts for the purposes stated follows:

1. Two million four hundred thousand (\$2,400.000) for operating funds, lines of credit, and related costs.
2. Two million two hundred fifty thousand dollars (\$2,250,000) for guarantees and purchase of the Micronesian Industrial Corporation plant, facilities, and all its assets.

B. The IBEDUL Yutaka M. Gibbons, within 30 days of expenditure hereunder and within 30 days of the execution of any loan, guarantee, or other document hereunder, shall submit to the Koror State Legislature a report of each such expenditures and document and copies of every relevant document.

C. The State of Koror hereby guarantees, and pledges its full faith and credit in support of, each of the above loans and contracts underwhich and to the extent that the State of Koror has incurred or may incur liability to repay or to pay any contractual sums.

SECTION 5. SEVERABILITY

A judicial determination by a court of competent jurisdiction that any one part of this Act is unlawful shall not effect any other part or parts of it.

SECTION 6. REPEAL

This Act hereby repeals the Act, know as Palau Coconut Industries Act, that was passed unanimously on June 4, 1985, and any other legislation that may be inconsistent with this current Act.

THIRTEENTH SPECIAL SESSION
MAY 1986, Page three

K1-16-86
(Passed As Bill No. 37, D1)

SECTION 7. EFFECTIVE DATE

This Act shall take effect upon its approval by the House of Traditional Leaders or upon its becoming law without such approval.

ADOPTED: MAY 12, 1986

CERTIFIED BY:

/s/

Katsutoshi Becheserrak
Speaker

APPROVED ON: May 16, 1986

BY:/s/

Ibedul Yutaka M. Gibbons
HOUSE OF TRADITIONAL LEADERS