

AN ACT

To amend Sections 3, 6, 7, 9, 14, and 15 of CSL No. 8-06-11, and to further amend Sections 1,4,5,11 and 13 of CSL No. 8-06-11, as amended by CSL No. 10-09-15, and for other purposes.

Be it enacted by the Chuuk State Legislature:

1 Section 1. Amendment. Section 1 of Chuuk State Law No. 8-06-11 as amended
2 by CSL No. 10-09-15, is hereby further amended to read as follows:

3 "Section 1. Establishment. The Northern Namoneas Social and economic
4 Development Authority (Authority) is hereby established as a public corporation
5 under the laws of the State of Chuuk and the Federated States of Micronesia. The
6 principal office of the Authority shall be a location determined by the Board."

7 Section 2. Amendment. Section 3 of Chuuk State Law No. 8-06-11 is hereby
8 amended to read as follows:

9 "Section 3. Purpose of Authority. The Authority shall identify the
10 development needs of its area of service and shall promote, by its own activities
11 and that of others, social and economic development in coordination and
12 cooperation with the State and National governments, and private and cooperative
13 enterprises."

14 Section 3. Amendment. Section 4 of Chuuk State Law No. 8-06-11 is hereby
15 amended to read as follows:

16 "Section 4. Board of Directors.

17 (1) Establishment. There shall be a Board of Directors of the
18 Authority which shall oversee the general affairs and operation
19 of the Authority.

20 (2) Composition.

21 (A) The Board shall be composed 3 members as follows:

22 (i) Mayor of Weno Municipality or his designee;

23 (ii) Mayor of Fonoton or his designee;

24 (iii) Mayor of Piis-Panewu or his designee;

1 (3) Compensation. There shall be no compensation for members
2 of the board during its initial year of operation from the
3 effective date of this Act. The Board shall determine
4 compensation for members of the Board during subsequent
5 years by majority votes of its members.

6 (4) Term of Office. Terms of office of Board members shall be
7 for a period of two years, except that initial terms of office and
8 filling of vacancies shall be as provided in this Act.

9 (5) Organization Meeting. No later than 60 days after the
10 effective date of this Act, the Board shall meet to select its
11 officers and conduct other business. The first meeting of the
12 Board shall be called by the most senior member of the
13 Board who shall preside at such meeting.

14 (6) Vacancies. Each vacancy on the Board shall be filled for the
15 un-expired portion of the term in the same manner as
16 originally filled. Upon a determination that a vacancy exists,
17 the Chairman or, in his absence, the Vice Chairman of the
18 Board shall issue a notice of vacancy to all members of the
19 Board responsible for filling the vacancy.

20 (7) Removal.

21 (a) Members of the Board may be removed from the Board
22 for failure to attend three consecutive meetings of the Board or
23 for incompetence, neglect of duty or malfeasance in office.

24 (b) Removal of a member shall be by a three-fourth vote of
25 all the members of the Board. Notification of intent to call for
26 removal pursuant to this Section shall be made at least 30 days in
27 advance, by means which shall be described in the bylaws of the
28 Authority, and shall include a summary of the basis of the charges
29 against the member and identification of the witnesses to be called
30 and evidence to be used.

1 (c) The Chuuk State Supreme Court shall assume
2 jurisdiction to hear claims of wrongful removal.

3 (8) Officers. The Board shall elect among its members a
4 chairman, vice-chairman, and secretary-treasurer. The
5 Chairman shall ordinarily preside at Board meetings. In his
6 absence, the vice-chairman shall preside. The bylaws shall
7 designate the presiding officers in the absence of these
8 officers.

9 (9) Regular Meetings. Regular meetings shall be held not less
10 than once per calendar quarter at such time and place as shall
11 be from time to time be determined by the chairman upon
12 notice as shall be provided in the bylaws.

13 (10) Special Meetings. Special meetings shall be called by the
14 chairman on his own initiative, or by petition by two third of
15 the members, pursuant to notice as shall be provided in the
16 bylaws.

17 (11) Quorum. A quorum of all regular and special meetings and
18 business of the Board shall be two (2) members.

19 (12) Executive Committee. The Board may pursuant to its
20 bylaws, establish an Executive Committee, determine the
21 members thereof, and assign its responsibilities.

22 (13) Records of Meetings. All meetings of the Board and
23 Executive Committee shall be public except when confidential
24 matters relating to personnel are discussed. The secretary-
25 treasurer or in his absence another member designated by the
26 bylaws shall keep full accurate minutes of all meetings which,
27 except for confidential matters relating to personnel, shall be
28 available for public inspection at reasonable time and place, as
29 provided in the bylaws.”

30 Section 4. Amendment. Section 5 of Chuuk State Law No. 8-06-11, as
31 amended by CSL No. 10-09-15, hereby further amended to read as follows:

1 “Section 5. Power of the Authority. The Authority, through its Board of
2 Directors, shall have the following powers, obligations and duties:

3 (1) to identify the needs for economic, education, and social
4 development of the area served by the Authority taking into
5 account the cultural land social traditions of the area;

6 (2) to formulate plans and goals for the development of the
7 resources of the area;

8 (3) to seek from all appropriate sources funds for the
9 implementation of such plans;

10 (4) to administer programs and project in furtherance of such
11 development goals, either through its employees or by contract or
12 such other means as the Board deems advisable;

13 (5) to employ and Executive Director and a Budget and Finance
14 Officer and set the terms of employment and to employ such
15 administrative staff and other employees as by be required by the
16 bylaws or needed to furtherance of the goals of the Authority.

17 (6) to acquire in any lawful manner any property, real property or
18 mixed tangible or intangible assets, or any interest therein to hold,
19 maintain and use the same and to sell, lease or otherwise dispose of
20 them;

21 (7) to establish, maintain, operate, and engage in, upon its own
22 account any appropriate enterprise, undertaking or activities in
23 furtherance of the purposes of the Authority and to receive
24 payments thereof, such payments to be deposited into the general
25 fund of the Authority to be established by the Board.

26 (8) to enter into and perform contracts or other agreements or
27 transactions as may be necessary in the conduct of its business.

28 (9) to borrow money from time to time provided however that the
29 debts of the Authority shall not be debts of the State of Chuuk or
30 any of the municipalities served by the Authority; the assets of the
31 State Government or the municipalities shall not be used as

1 security for the debts of the Authority unless otherwise provided
2 by law.

3 (10) to levy and collect charges, fees, and other payments for
4 goods sold and services rendered by the Authority, except that no
5 such levy shall be in the form of a tax or assessment levied against
6 the general public, the user of public facilities, or property
7 benefited by actions of the Authority unless specifically authorized
8 by law.

9 (11) to execute in accordance with its bylaws all instruments
10 necessary of appropriate in the exercise of its powers.

11 (12) to take such other actions and assume other responsibilities as
12 may be necessary or appropriate in the exercise of its powers; and

13 (13) to approve bylaws, policies, and procedures for the guidance
14 and operation of the Authority.”

15 Section 5. Amendment. Section 6 of Chuuk State Law No. 3-06-11 is
16 hereby amended to read as follows:

17 “Section 6. Suits and Legal Representation.

18 (1) The Authority may sue or be sued in its own name, provided
19 that any liability incurred by the Authority when not acting as an
20 agency of the State or other governmental entity, shall not be a
21 liability of the State or other governmental entity; and

22 (2) The State Attorney General of Chuuk shall represent and assist
23 the Authority in legal matters.”

24 Section 6. Amendment. Section 7 of Chuuk State Law No. 8-06-11 is hereby
25 amended to read as follows:

26 “Section 7. Management.

27 (1) The Authority, through the Board, may receive, manage, invest
28 and disburse funds or other property which may be appropriated, granted,
29 or in any other manner received from any source for the purpose of the
30 Authority. The Authority may use governmental accounting procedures

1 or, if appropriate, such financial or accounting system as may be
2 prescribed by law for commercial companies; and

3 (2) The Authority may purchase supplies, equipment, and
4 materials through its own purchasing procedures or it may use government
5 purchasing procedures.”

6 Section 7. Amendment. Section 9 of Chuuk State Law No. 8-06-11 is hereby
7 amended to read as follows:

8 “Section 9. Executive Director. There shall be an Executive Director of
9 the Authority, who shall be appointed by the Board to serve at its pleasure. The
10 Board shall establish the salary of the Executive Director. The Executive Director
11 shall be responsible for the management of the programs, projects and other
12 activities of the Authority, and shall employ, supervise and terminate the
13 employees of the Authority in accordance with general rules of employment
14 established by the Board, except as provided in Section 13 of this Act.”

15 Section 8. Amendment. Section 11 of Chuuk State Law No. 8-06-11, as amended
16 by CSL No. 10-09-15, is hereby further amended to read as follows:

17 “Section 11. Accounts and Records. The Board and the Executive
18 Director shall be jointly responsible to ensure that the Budget and Finance Officer
19 prepare proper and complete books of accounts reflecting all income,
20 expenditures, assets, and liabilities of the Authority. Including appropriations,
21 grants and property. The Board, no later than sixty days after the close of each
22 governmental fiscal year, shall submit to the Governor and the President and the
23 Speaker of the Legislature a complete report showing the activities of the
24 Authority during the fiscal year, the present fiscal condition of the Authority and
25 such other matters as the Board shall deem appropriate. The State Auditor, or if
26 there be no such officer, a licensed accountant by the Board shall inspect and
27 audit all accounts of the Authority at least annually and report thereon to the
28 Governor and the President and the Speaker of the Chuuk State Legislature.”

29 Section 9. Amendment. Section 13 of Chuuk State Law No. 8-06-11, as amended
30 by CSL No. 10-09-15, is hereby further amended to read as follows:

31 “Section 13. Personnel Administration.

1 (1) The Authority may establish its own personnel system and
2 policies independent of the Chuuk State Public Service System or
3 by appropriate resolution address to the Governor, be included in
4 the Chuuk State Public Service System for purposes of its
5 personnel administration, provided that if the Authority chooses to
6 be included in the State Public Services System, the Board may
7 designate positions to be exempted from that system.

8 (2) All employees of the Authority, including the Executive
9 Director and the Budget and Finance Officer, if members of the
10 Chuuk State Public Service System immediately prior to their
11 employment with the Authority may receive the same or
12 equivalent amount of salaries;

13 (3) The Board may by general rules applicable to all employees,
14 assign to employees levels of wages and benefits that take into
15 account in whole or in part their prior governmental employment;
16 and

17 (4) The Chuuk State Government shall provide to all former
18 employees of the Authority who shall have terminated their
19 employment in good standing, rights of employment and seniority
20 as their services to the Authority, as well as prior governmental
21 service would entitle them as if all their services were with the
22 Chuuk State Government or National Government.”

23 Section 10. Amendment. Section 14 of Chuuk State Law No. 8-06-11 is hereby
24 amended to read as follows:

25 “Section 14. Notification to Municipal Government regarding Projects.

26 The Authority shall endeavor to inform affected municipal governments of any
27 projects planed for their communities at the earliest practical opportunity and
28 shall continue to inform the municipal government and the constituency members
29 of the public of the nature of the projects and any substantial change in their
30 plans.”

1 Section 11. Amendment. Section 15 of Chuuk State Law No. 8-06-11 is hereby
2 amended to read as follows:

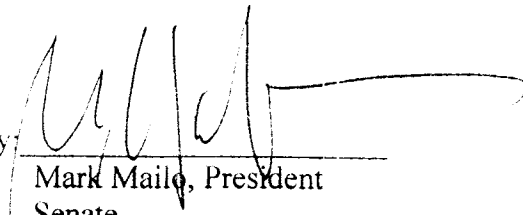
3 “Section 15. Land Acquisition and Relocation Assistance.

4 (1) Any activity of the Authority which requires the acquisition of
5 a right in private real property shall be govern by the requirements of the
6 Chuuk Sate Law No. 2-1. The Sate Government shall be responsible for
7 such property acquisition and relocation assistance.

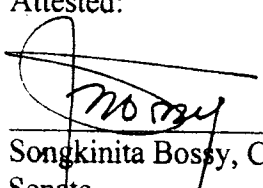
8 (2) The Authority shall promptly notify the State Government
9 whenever it requires use or acquisition of private real property of the state
10 or the public land authority. The notification shall describe with
11 specifically the property to be used or acquired, the reason for its need, the
12 extent and duration of possession required, alternative possibilities that
13 have been considered and rejected and the reason therefore, and the date
14 by which such acquisition or use is expected commence. Any rights in the
15 private property acquired for the benefit or use of the Authority shall be
16 held by the State Government except as otherwise specifically provided by
17 law.”

18 Section 16. Effective Date. This Act shall take effect upon its approval by the
19 Governor, or upon its becoming law without such approval.

Signed by


Mark Mailo, President
Senate
Chuuk State Legislature

Attested:


Songkinita Bossy, Chief Clerk
Senate
Chuuk State Legislature

Date: 3/30/10