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AN ACT

To authorize the Governor to enter into lease agreements with private landowners for lands presently used by the State Government, to appropriate funds therefor; to authorize the appropriation of additional funds, and for other purposes.

Be It enacted by the Legislature of Truk State.

Section 1. Statement of Purpose. During the early part of the American Administration of Truk, the administering authority entered into what became known as "Indefinite land use Agreements" with private landowners for the use of private lands for public purposes on Moen Island and other islands in Truk State. These agreements were fundamentally unjust in scope and content and generally provided for inadequate compensation. During the 1960s and 1970s landowners sought various forms of remedy for these unjust agreements culminating in these agreements being declared void in the Federated States of Micronesia Constitution. The Constitution allowed a period of five years from its effective date for the State Government to obtain appropriate interests in lands which the government needs to retain. The Truk State Government has made a review of the Indefinite lands in Truk and has made a determination of which such lands need to be retained. The purpose of this act is to authorize the Governor to enter into lease agreements for retention of the needed lands, to appropriate the sum of \$1,400,000 for initial payments of lease rentals on such lands and to authorize the appropriation for additional funds for final payments of lease rentals on such lands from funds to be acquired by Truk State in the future.

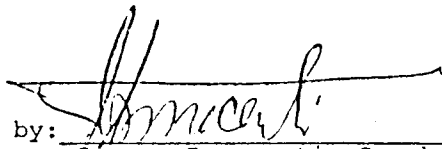
Section 2. Lease Agreements Authorized. The Governor is authorized to enter into lease agreements with landowners for the use of private lands in Truk State covering such parcels as the Governor deems are required to be retained for public use and under such terms and conditions as the Governor deems appropriate. Notwithstanding the provisions of any other laws, the lease rentals required to be paid for the use of such lands may exceed funds presently available to the Truk State Government for these purposes provided the Governor makes a determination that such additional funds are likely to become available on or before such

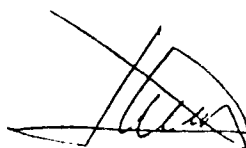
time as the payment of these additional funds are required under the lease agreements. If the Governor is unable to negotiate the necessary lease agreements as to some or all parcels, he may utilize any other remedies available to the Truk State Government for acquiring interests in the lands under existing laws.

Section 3. Appropriation. There is hereby appropriated from the General Fund of the State the sum of \$1,400,000 for the purpose of acquiring leasehold interests in the private lands in the State of Truk required to be retained for public use by the Truk State Government. This sum is allotted to the Governor who shall be responsible for its expenditure in accordance with law. The Governor shall make a detailed report to the Truk State Legislature upon the expenditure of these funds on or before October 1, 1984. Any sums remaining unobligated and unexpended on September 30, 1985, shall revert to the General Fund of the State.

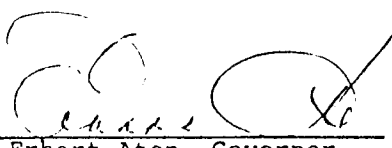
Section 4. Authorization. There is hereby authorized for appropriation such additional sums as may be necessary for the purposes set forth in Section 3. Such sums may not be expended or obligated until appropriated by the Truk State Legislature.

Section 5. Effective Date. This Act shall take effect upon approval by the Governor, or upon its becoming law without such approval.

Signed by:   
Simeon Innocenti, Speaker  
Truk State Legislature

Attested to:   
Datasi Albert  
Legislative Chief Clerk  
Truk State Legislature

Date: June 29, 1984

Approved by:   
Erhart Aten, Governor  
Truk State Government

Date: June 30, 1984