AN ACT

To amend Sections 1 through 5 of Public Law No. 6-132, as amended by Public Law No. 1-55, on utilization of lateritic and other soil deposits, and for other purposes.

BE IT ENACTED BY THE CONGRESS OF THE FEDERATED STATES OF MICRONESIA:

Section 1. Public Law No. 6-132, Sections 1 through 5, as amended by Public Law 1-55, is hereby amended to read as follows:

"Section 1. The President of the Federated States of Micronesia is hereby authorized and directed to enter into a franchise agreement with a foreign or domestic business venture, which is hereinafter referred to as 'company', for the purpose of securing franchise rights for the Federated States of Micronesia to use patented methods relating to lateritic soil in the process of manufacturing bricks, blocks, roofing tile, and floor tile, as well as all other building components. All negotiations with and selection of the company shall be made in accordance with applicable laws, U.S. Secretary of Interior Orders, and standard Federated States of Micronesia procedures for business entering into franchise agreements with the Federated States of Micronesia.

"Section 2. The said franchise agreement shall provide sufficient latitude to the company to establish and put in operation a pilot plant in one of the states of the Federated States of Micronesia, using lateritic and other soil deposits in the Federated States of Micronesia; to train residents of the Federated States of Micronesia to
operate such a plant; and to determine the feasibility
of constructing and operating similar plants at other
locations in the Federated States of Micronesia. The
company shall furnish information to the President as to
the cost estimate of all equipment involved in the
industrial process, given the size of the plant specified
by the President; approximate shipping cost from the
place of origin to the Federated States of Micronesia; and
approximate cost of installation under the supervision
of an engineer of the company. The President shall seek
to include in the agreement such conditions and terms as
will be required by the company to research the possibilities
of firing limestone locally for hydrated lime, or producing
other materials required in the industrial process. The
President is authorized to include such other and additional
conditions, terms, limitations and stipulations as he shall
decide necessary, proper or appropriate and acceptable to the
company. The President is authorized to conduct negotiations
with the state governments concerning the location of the
pilot plant and to consider previous recommendations relating
to the location of the pilot plant.

"Section 3. The sum of $100,000, or so much thereof as may
be necessary, is appropriated from the General Fund of the
Congress of Micronesia and allotted to the President of the
Federated States of Micronesia for the purpose of carrying
out the provisions of this act. The sum herein appropriated shall be available for the purposes herein specified until spent, or until the purposes of this act have been achieved.

"Section 4. The President shall administer and expend the sum herein appropriated solely for the purpose of this act.

"Section 5. The President shall submit to the Congress of the Federated States of Micronesia, an annual report of his activities pursuant to this act, with his recommendations as to additional ways and means to better effectuate the provisions of this act."

Section 2. This act shall become law upon approval by the President of the Federated States of Micronesia, or upon its becoming law without such approval.

August 1, 1980

Tosiwo Nakayama
President
Federated States of Micronesia