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**AN ACT**

to repeal Parts I, II, III, and IV, and make certain amendments to Part V of the Kwajalein Atoll Development Authority Act 2004, and for related matters.

**BE IT ENACTED BY THE NITIJELA OF THE REPUBLIC OF THE MARSHALL ISLANDS:**

11 **Section 1. Short title**

12 This Act may be cited as the “Kwajalein Atoll Development Authority (Repeal and  
13 Amendment) Act, 2007.”  
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15 **Section 2. Repeal**

16 Parts I, II, III, and IV of the Kwajalein Atoll Development Authority Act 2004, as  
17 amended, (P.L. 2004-19, and 2005-46) are hereby repealed in their entirety.  
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19 **Section 3. Allocation and Use of Funds**

20 Consistent with the provisions of the Compact of Free Association, as amended, and its  
21 subsidiary agreements, funds provided under Section 211(b)(2) of the Compact of Free  
22 Association, as amended may be expended by the Government, the Kwajalein Atoll Local  
23 Government, or other appropriate entity as may be appropriated by the Nitijela to carry out the  
24 purposes and functions of the Kwajalein Atoll Development Authority pursuant to Paragraph 6  
25 of the Land Use Agreement 1982.

1 Section 4.     **Amendment**

2 **(1)**     Part V of the Kwajalein Atoll Development Authority Act 2004, Section 720 is hereby  
3 amended to read as follows:

4 **§720. Dissolution, Receivership and Savings.**

5 (1)     Solely for purposes of this Section, the term “Authority” and “Board” shall refer  
6 to the Authority and Board established under the “Kwajalein Atoll Development  
7 Authority Act 1989” P.L. 1989-36, 10 MIRC, Chapter 7A.

8 (2)     The Authority shall be placed into receivership with the appointment of a  
9 Receiver by the High Court upon application being made by the Attorney General  
10 as soon as practicable after the effective date of this Act. All powers, rights,  
11 duties, responsibilities, assets and liabilities of the Board and Authority shall vest  
12 with, and be held by, the Receiver to the extent provided by the High Court.

13 (3)     The Receiver shall:

14 (i)     take such actions as may be necessary or incidental to recovering any  
15 unaccounted funds provided to the Authority for such past periods as the  
16 High Court may determine;

17 (ii)    take such measures as may be necessary and appropriate to wind up the  
18 affairs of the Authority including, but not limited to, the settlement of  
19 lawful existing debts of the Authority; an inventory and accounting of the  
20 Authority’s assets and property including the sale and disposition of such  
21 assets and property as may be appropriate; the performance, recision, or  
22 settlement of any contract or agreement of the Authority; collect, organize,

- 1 consolidate, and take possession and control of any bank accounts,  
2 investments, cash, or other monetary assets of the Authority; and  
3 otherwise control and administer the affairs of the Authority;
- 4 (iii) conduct such investigations as he deems reasonable and necessary to carry  
5 out the purposes of the receivership; and
- 6 (iv) provide an accounting of the activities of the Authority for such periods as  
7 the High Court may determine;
- 8 (4) In carrying out the duties and responsibilities of the receivership, the Receiver  
9 shall have the power:
- 10 (i) to issue summons or subpoenas to individuals and entities to appear,  
11 testify and produce for examination any books, papers, documents,  
12 records, data or property that the Receiver deems relevant to his duties and  
13 responsibilities;
- 14 (ii) to recover, take possession of the accounts, property or assets of the  
15 Authority in order to protect and preserve such accounts, property or  
16 assets;
- 17 (iii) to employ individuals to assist him in his duties and responsibilities  
18 including, but not limited to employment of legal counsel; and
- 19 (iv) to the extent necessary, seek judicial enforcement of actions taken  
20 pursuant to the receivership including the bringing of actions on behalf of  
21 the Authority to recover property or to compel production of books,  
22 documents, papers, or records including application to the High Court to

1           compel compliance with any summons or subpoena. Failure to comply  
2           with such order shall be punishable as a contempt of court under the  
3           Judiciary Act 1983, as amended; and

4           (v)   such other powers as may be necessary or incidental to carrying out the  
5           duties and responsibilities of Receiver including any powers granted by  
6           the High Court.

7           (5)   The Receiver shall be paid from the assets of the Authority on such terms and  
8           conditions that the High Court may provide.

9           (6)   The provisions of the Kwajalein Atoll Development Authority Act 1989, P.L.  
10          1989-36, 10 MIRC Chapter 7A shall remain in effect for the term of the  
11          receivership.

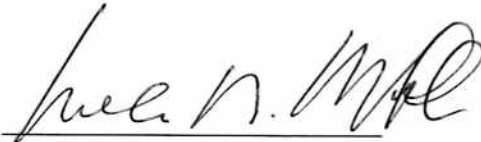
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13   Section 5.    **Effective date**

14           This Act will come into force and effect in accordance with Article IV, Section 21 of the  
15   Constitution.

**CERTIFICATE****I hereby certify:**

- (1) That Nitijela Bill No: 102ND1 was passed by the Nitijela of the Republic of the Marshall Islands on the 4<sup>th</sup> day of April, 2007; and
- (2) That I am satisfied that Nitijela Bill No.: 102ND1 was passed in accordance with the relevant provisions of the Constitution of the Republic of the Marshall Islands and the Rules of Procedures of the Nitijela.

I hereby place my signature before the Clerk this 16<sup>th</sup> day of May, 2007.

**Attest:**


**Ruben R. Zackhras**  
Vice-Speaker  
Nitijela of the Marshall Islands



**Joe E. Riklon**  
Clerk  
Nitijela of the Marshall Islands

