



Republic of Palau
Office of the President

Tommy E. Remengesau, Jr.
President

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February 5, 2016
Serial No: 16-3345

The Honorable Sabino Anastacio
Speaker of the House of Delegates
9th Olbiil Era Kelulau
Ngerulmud, Palau National Capitol
Republic of Palau 96939

Re: Signing Statement: Senate Bill No. 9-146, HD2, CD1 – Supplemental Budget

Dear Speaker Anastacio:

Today I am signing into law Senate Bill No. 9-146, HD2, CD1 that accomplishes a number of items, including the appropriation of additional funds for Fiscal Year 2016. As I'm sure us lawmakers can agree, having a fiscally conservative, but still sufficient budget for the proper functioning of the government is something that is critical for the well being of our citizens. This piece of legislation reinforces that appropriate balance for the Republic's fiscal matters. Please note that in the near future you and your colleagues will be requested to pass an additional supplemental budget appropriation to address certain outstanding budget issues, including the increase in the Ministry of Justice's budget due to the recent reclassification of Ministry of Justice law enforcement officer positions.

The legislation also advances the livelihoods of individuals receiving assistance from the Palau Severely Disable Assistance Fund. The Fund's monthly stipend increases of \$50 to \$100 for individuals that are homebound and need 24 hour per day care, and \$30 to \$75 for individuals that are wheelchair-bound and/or blind, will improve the lives and wellbeing of these citizens. For a society to flourish it is important that all citizens are looked after, even the ones that may have certain restrictions and limitations. The stipend increases are long overdue and I'm happy to see that us leaders are addressing the needs of these particular individuals.

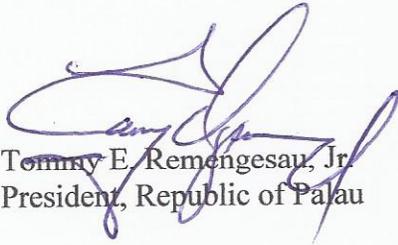
Finally, the legislation repeals the Senior Citizen Discount Program (RPPL No. 8-49). The Program was created with the best of intentions, namely to provide additional benefits for our elders, but the Program had its limitations in terms of the government's ability to implement it due to the Program's structure. Although we are repealing the Program, we lawmakers must continue display respect and find additional ways to improve the lives of our elders. It should be



a priority that the government increase the benefits for our senior citizens and I welcome future legislation from you and your colleagues that achieves such a goal.

Thank you to you and your colleagues for the important work that has been accomplished with this piece of legislation.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tommy E. Remengesau, Jr.", written over the printed name.

Tommy E. Remengesau, Jr.
President, Republic of Palau



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President of the Senate
9th Olbiil Era Kelulau
Ngerulmud, Palau National Capitol
Republic of Palau 96939

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Tommy E. Remengesau, Jr.
President, Republic of Palau

AN ACT

To amend Section 8503 of Title 34 of the Palau National Code to increase the monthly stipend for individuals receiving assistance from the Palau Severely Disabled Assistance Fund, to amend RPPL 9-46 to authorize and appropriate additional funds for Fiscal Year 2016, to repeal Chapter 25 of Title 40 of the Palau National Code, and for other related purposes.

THE PEOPLE OF PALAU REPRESENTED IN THE OLBIIIL ERA KELULAU DO ENACT AS FOLLOWS:

1 Section 1. Legislative findings. The Olbiil Era Kelulau finds that, since its
2 creation in 2002, the Palau Severely Disabled Assistance Fund has provided necessary
3 and valuable financial assistance to homebound, wheelchair-bound, and blind
4 individuals. However, the cost of living has increased since RPPL No. 6-26 set the rate
5 for monthly stipends at \$50 per month for homebound individuals and \$30 for
6 wheelchair-bound or blind individuals. Cost of living adjustments have been
7 implemented over the past two years by providing a gradual raise in the minimum
8 wage and in the public service system salary schedule. Now it is appropriate to make
9 a similar cost of living adjustment for individuals in the Palau Severely Disabled
10 Assistance Fund.

11 Section 2. Amendment. 34 PNC § 8503 is amended to state as follows:

12 “§ 8503. Monthly stipend.

13 Those individuals who are determined by the Ministry to be homebound and
14 need twenty-four (24) hour per day care will be eligible to receive a monthly stipend
15 of one hundred dollars (\$100) per month. Those individuals who are determined by
16 the Ministry to be wheelchair-bound and/or blind, shall be eligible to receive a
17 monthly stipend of seventy-five dollars (\$75) per month. The minister may increase
18 the monthly stipends if it is determined that there are available funds in the fund.”

19 Section 3. Amendment. The title of RPPL 9-46 is amended to state as follows:

20 “To enact a budget law for Fiscal Year 2016 through the authorization of the
21 sum of \$85,894,825 and appropriation of the sum of \$85,894,825 from the National
22 Treasury for the annual general operations, special revenue, and debt service budget
23 of the Republic of Palau for the fiscal year ending September 30, 2016, and for
24 related purposes.”

1 Section 4. Amendment. Section 2 of RPPL 9-46 is amended to state as
2 follows:

3 “Section 2. Executive Branch Operations. The sum of \$40,894,825 is
4 authorized for appropriation and is hereby appropriated for expenditure and
5 obligation for Fiscal Year 2016 for the purpose of covering the operational and
6 contingent expenses of the Executive Branch. The total amount authorized to be
7 appropriated shall be made up of the following available revenues: The amount of
8 \$22,747,825 shall come from local revenues; the amount of \$13,147,000 shall come
9 from anticipated USDOJ-OIA fiscal year 2016 grant assistance provided to Palau;
10 and the amount of \$5,000,000 shall come from the Compact Section 211(f) Trust
11 Fund Investment Account. The total amount authorized for appropriation and that is
12 hereby appropriated in this section shall be allocated according to the following
13 schedule, respectively:

14	(1) Office of the President	
15	(a) President’s Office	\$813,000
16	(b) Official Expenses	30,000
17	(c) Grants Coordinator	76,000
18	(d) Council of Chiefs	150,000
19	(e) Presidential Stipend	45,000
20	(f) Pacific Islands News Association- 4 th Pacific Media Summit	
21	50,000	
22	(g) Micronesian Presidents’ Summit	
23	Micronesian Chief Executives’ Summit	
24	Small Island States’ Leaders Retreat	50,000
25		
26		Sub-Total \$1,214,000
27	...	
28	(3) Ministry of Finance	
29	(a) Office of the Minister	\$58,000
30	(b) Information Systems Support Services	239,000
31	(c) Bureau of National Treasury	817,000

1	(d) Bureau of Budget and Planning		575,000
2		Of the funds for the Bureau of Budget and Planning, the amount of	
3		\$75,000 shall be earmarked for the operations of the Office of Climate	
4		Change, the amount of \$208,000 shall be earmarked for the operations	
5		of the Office of PALARIS, and the amount of \$50,000 shall be	
6		earmarked for the operations of the Office of Project Management.	
7	(e) Bureau of Public Service System		177,500
8	(f) Workmen's Compensation		37,000
9	(g) Bureau of Revenue, Customs & Taxation		\$1,655,000
10		Of this sum, \$100,000 is earmarked for the purpose of automating the	
11		environmental and visa fee collection process, providing for office	
12		relocation and improvements, and funding other related tasks pursuant	
13		to RPPL 9-49, §§ 5-7.	
14		Sub-Total	\$3,558,500
15	...		
16	(5) Ministry of Community & Cultural Affairs		
17	(a) Office of the Minister		\$58,000
18	(b) Bureau of National Archives		136,000
19	(c) Bureau of Youth, Sports & Recreation		319,000
20	(d) Bureau of Aging & Gender		290,000
21		Of these funds, the sum of \$20,000 is earmarked for the purpose of	
22		implementing the Family Protection Act; and the sum of \$30,000 is	
23		earmarked for the purpose of homecare for the elderly with no income.	
24	(e) Sports Facilities Maintenance & Utilities		90,000
25	(f) Bureau of Arts & Culture		194,000
26		Of these funds, the sum of \$30,000 is earmarked for the Society of Historians.	
27	(g) Olchotel Belau Fair		20,000
28	(h) Palau Severely Disabled Assistance Fund		295,625
29		Sub-Total	1,402,625
30	...		
31	(8) Ministry of Justice		

1	(a) Office of the Attorney General	630,000
2	...	
3		Sub-Total \$5,072,000
4		Section 2 Total \$40,894,825

5 ...”

6 Section 5. Amendment. Section 3 of RPPL 9-46 is amended to state as
7 follows:

8 “Section 3. Judicial Branch. The sum of \$2,961,000 is hereby authorized to
9 be appropriated and is hereby appropriated for expenditure or obligation for Fiscal
10 Year 2016 for the purpose of covering the operational and contingent expenses of the
11 Judicial Branch. The entire amount of the funds authorized and appropriated in this
12 section shall come from local revenues. The sum of \$165,000 is earmarked for
13 expenditure or obligation for Fiscal Year 2016 for the purpose of implementing the
14 separation of personnel within the trial and appellate divisions by hiring new
15 personnel for both divisions of the Palau Supreme Court pursuant to the Fourteenth
16 Amendment of the Republic of Palau Constitution.”

17 Section 6. Amendment. Section 4 of RPPL 9-46 is amended to state as
18 follows:

19 “Section 4. Legislative Branch. The sum of \$5,421,500 is hereby authorized to
20 be appropriated and is hereby appropriated for expenditure or obligation for Fiscal
21 Year 2016 for the purpose of covering the operational and contingent expenses of the
22 Legislative Branch. The entire amount of funds authorized and appropriated in this
23 section shall come from local revenues. The total authorization and appropriation
24 shall be allocated according to the following schedule:

25	(1) Senate	\$ 2,058,000
26	(2) Senate Legal Counsel Office	209,500
27	(3) House of Delegates	2,574,500

28 Of these funds, the sum of \$50,000 is earmarked for the Palau Community
29 Association of Guam for the purpose of building a cultural center.

30	(4) House Legal Counsel Office	209,500
31	(5) Joint Staff	275,000

1	(6) Association of Pacific Island Legislatures	15,000
2	(7) Inter-Parliamentary Union	15,000
3	(8) Palau-Japan Parliamentary Friendship	35,000
4	(9) Electricity for Koror OEK building	30,000
5		Section 4 Total \$5,421,500”

6 Section 7. Amendment. Section 18 of RPPL 9-46 is amended to state as
7 follows:

8 “Section 18. Subsidy to PPUC for Water & Sewer Operations. The sum of
9 \$1,603,500 is authorized for appropriation and is hereby appropriated for
10 expenditure in Fiscal Year 2016 to subsidize the water and sewer improvement
11 operations of the Palau Public Utilities Corporation (PPUC), provided that the
12 amount of \$603,500, or so much thereof as may be necessary, shall be utilized by the
13 PPUC to costs associated with migrating their SCADA system to a new bandwidth
14 (radio frequency) and to establish and fund a permanent subsidy program for
15 electrical power consumption for fixed or low income household customers. The
16 Subsidy Program shall subsidize electrical power usage for only the life-line rate (0-
17 150,000KwH) for eligible households. Eligibility criteria shall be based on the poverty
18 threshold as defined in the *Analysis of the 2006 Household Income and Expenditure*
19 *Survey Report* and as updated. The PPUC and the Ministry of Finance shall work
20 together to develop rules and regulations to implement this subsidy program effective
21 October 1, 2015. The PPUC shall provide an annual report of the subsidy program to
22 the President and the Olbiil Era Kelulau including but not limited to the number of
23 eligible household customers, program and administrative cost. The entire amount
24 authorized to be appropriated and appropriated in this section shall come from the
25 50 percent allocation of “Green Fee” collections for power, water and sewer
26 improvements. Any unexpended or unobligated balance of the appropriation of this
27 section shall not lapse at the end of the fiscal year. Additionally, the sum of \$150,000
28 is authorized for appropriation and \$150,000 is hereby appropriated to offset the
29 AFPAC rate increase for residential customers using 500 kilowatts per hour or less
30 per month and the funds shall come from local revenues.”

1 Section 8. Amendment. Section 19 of RPPL 9-46 is amended to state as
2 follows:

3 “Section 19. Supplemental SSA Benefit Payments. The sum of \$1,931,200 is
4 hereby authorized to be appropriated and is hereby appropriated for expenditure or
5 obligation for Fiscal Year 2016 for the purpose of providing an additional fifty dollars
6 (\$50) in Social Security benefit payments to individuals receiving Social Security
7 benefits pursuant to Title 41, Subchapter VI of the Palau National Code. The
8 continuation of this supplemental social security benefit payment is subject to
9 appropriation of funds from the National Government. The entire amount authorized
10 to be appropriated and that is hereby appropriated in this section shall come from
11 local revenues. Any unexpended or unobligated balance of the appropriation of this
12 section shall not lapse at the end of the fiscal year.”

13 Section 9. Amendment. Section 20 of RPPL 9-46 is amended to state as
14 follows:

15 “Section 20. 12th Festival of Pacific Arts. The sum of \$350,000 is hereby
16 authorized for appropriation and hereby appropriated for Fiscal Year 2016 for the
17 purpose of funding Palau’s participation in the 12th Festival of Pacific Arts to be held
18 in Guam, USA. The entire amount authorized to be appropriated in this section shall
19 come from local revenues.”

20 Section 10. Repealer. Chapter 25 of Title 40 of the Palau National Code, the
21 Senior Citizen Discount Program as established by RPPL No. 8-49, is hereby
22 repealed.

23 Section 11. Repealer.

24 40 PNC § 1002(o) is amended to repeal the amendment to that subsection
25 enacted by RPPL No. 8-49. 40 PNC § 1002(o) is restored to the language in place
26 prior to the enactment of RPPL No. 8-49.

27 Section 12. RPPL No. 9-46 is hereby amended to create a new Section 35 as
28 follows:

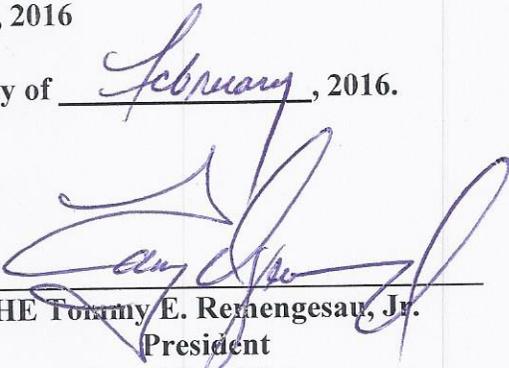
29 “Section 35. Peleliu Maritime Transportation Authority. The sum of \$250,000
30 is authorized and appropriated to the Peleliu Maritime Transportation Authority.

1 The entire amount of the funds authorized and appropriated in this section shall
2 come from local revenues.”

3 Section 13. Effective date. This Act shall take effect upon its approval by the
4 President of the Republic of Palau, or upon its becoming law without such approval.

PASSED: February 02, 2016

Approved this 3rd day of February, 2016.



HE Tommy E. Remengesau, Jr.
President
Republic of Palau