

AN ACT

To authorize and appropriate the sum of \$1,162,803.00 from the Koror State Treasury for the purpose of covering expenses of general operation and contingent expenses for the months of January and February of Fiscal Year 2013 in the form of Interim Budget; to authroize and appropriate upon receipt the sum of \$35,000.00 for employee "cost of living allowance" as mandated by RPPL No. 8-55, to amend Section 5 of KSPL No. K9-250-2012 to increase "Contractual Services" and "Travel Expense" for the Koror State Legislature, and for related purposes.

THE PEOPLE OF KOROR REPRESENTED IN THE LEGISLATURE OF THE STATE OF KOROR DO ENACT AS FOLLOWS:

1 **Section 1. Short Title.** This Act may be cited as "The Fiscal Year 2013 Koror State
2 Interim Budget Act."

3 **Section 2. Appropriation.** The sum of \$1,162,803.00 is hereby authorized and
4 appropriated for expenditures and obligations for the months of January and February of Fiscal
5 Year 2013 from the Koror State Treasury to the budget activities as set forth below, and more
6 specifically itemized in the attached Schedule A which is incorporated herein by reference.

7 **Section 3. Revenue Sources.** The entire sum of \$1,162,803.00 herein authorized and
8 appropriated for Koror State for the months of January and February of Fiscal Year 2013, shall
9 come from State's local revenues identified in the attached Schedule B. If collections exceed
10 projected revenues, all such excess collections shall remain in the Koror State Treasury until
11 authorized and appropriated by law.

12 **Section 4. House of Traditional Leaders.** The sum of \$22,800.00 is hereby
13 authorized and appropriated for expenditures and obligations for the months of January and
14 February of Fiscal Year 2013 to cover operational and contingent expenses of the House of
15 Traditional Leaders. The entire sum shall comes from State's local revenues. The Chairman of
16 the House of Traditional Leaders is hereby authorized to reprogram funds from one item to another
17 within the House of Traditional Leaders budget, but not to exceed 15% of the total amount
18 apportioned for the item which the funds are moved; provided however, that the budget category

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1 for "Compensation" and for "Personnel Cost" may not be reduced by reprogramming, and the
 2 funds for these two budget items may not be reprogrammed.

3	a. Compensation and Personnel Cost -----	\$19,417.00
4	b. Representation Fund -----	\$ 417.00
5	c. Operational Cost -----	\$1,133.00
6	d. Travel Expense -----	\$1,333.00
7	e. Contingency and Miscellaneous Expense -----	\$ 500.00
8	Sub-total -----	\$ 22,800.00

9 **Section 5. Legislative Branch.** The sum of \$76,332.00 is hereby authorized to be
 10 appropriated and is appropriated for expenditure or obligation for the months of January and
 11 February of Fiscal Year 2013 for the purpose of covering the operational and contingent expenses
 12 of the Koror State Legislature. The total amount appropriated shall be apportioned and allotted at
 13 the direction of the Speaker of the Koror State Legislature and shall be allocated according to the
 14 following schedule. The total sum shall derive from state local revenues. The Speaker is hereby
 15 authorize to reprogram funds from one item to another within the legislative budget, but not to
 16 exceed 15% of the total amount apportioned for the item which the funds are moved.

17	a. Legislative Compensation and Personnel Cost -----	\$42,500.00
18	b. Speaker/Vice Expense -----	\$1,000.00
19	c. Committee Expense -----	\$2,333.00
20	d. Contractual Service -----	\$5,833.00
21	e. Representation Fund -----	\$833.00
22	f. Travel Expense -----	\$20,000.00
23	g. Operational Expense -----	\$2,500.00
24	h. Miscellaneous & Contingency -----	\$1,333.00
25	Sub-total -----	\$76,332.00

1	b. Social Security -----	\$36,667.00
2	c. Pension Plan -----	\$25,833.00
3	d. Medical Insurance -----	\$57,500.00
4	Sub-total -----	\$133,333.00

Section 9. Communication, Utilities, Travel, Prior Year Obligation, Hamlet

Streetlights and Contingencies. The sum of \$136,250.00 is hereby authorized and appropriated for the months of January and February of Fiscal Year 2013 to cover necessary additional operational expenses for communications, travel, contingencies and prior year obligations. The total sum shall come from state local revenues and shall be allocated according to the following schedule:

11	a. Communications -----	\$17,750.00
12	b. Travel -----	\$18,333.00
13	c. Contingencies -----	\$5,000.00
14	d. Miscellaneous (Bank Charges) -----	\$5,000.00
15	e. Utility Expense -----	\$36,000.00
16	f. Hamlet Street Lights -----	\$50,000.00
17	g. Prior Year Obligation -----	\$4,167.00
18	Sub-total -----	\$136,250.00

Section 10. State's Programs & Special Projects. The sum of \$143,921.00 is hereby

authorized and appropriated for expenditure and obligations for the months of January and February of Fiscal Year 2013 to continue special programs and projects. The sum authorized and appropriated herein shall come from state local revenue and shall be allocated according to the following schedule:

24	a. State Building Maintenance/ Furniture -----	\$5,000.00
25	b. Solid Waste Management -----	\$50,833.00

1	c. Koror State Park’s Maintenance -----	\$13,333.00
2	d. Traditional Functions -----	\$1,333.00
3	e. Other Hamlets Projects -----	\$15,000.00
4	f. Community Services -----	\$1,500.00
5	g. Charitable Contribution -----	\$1,667.00
6	h. Picnic Huts & Bio Toilets (rock islands) -----	\$2,833.00
7	i. CIP Programs/Infrastructures-----	\$48,089.00
8	j. Koror State Youth Council -----	\$4,333.00
9	Sub-total -----	\$143,921.00

Section 11. Authorization of \$35,000.00 for “cost of living allowance”, and appropriation upon receipt of funding.

The sum of \$35,000.00 is hereby authorized but not appropriated as the Koror State employee “cost of living allowance” mandated by RPPL No. 8-55. Upon receipt of the \$35,000.00 from the national treasury, or upon receipt of any part of the \$35,000.00 from the national government, the sum of \$35,000.00, or so much as is actually received from the national treasury, is appropriated and may be paid out to employees of Koror State Government.

Section 12. Amendment. KSPL No. K9-250-2012, Section 10, (g) and KSPL No. K9-254-2012, Section 6, shall be amended as follows:

“Funds provided herein for CIP Programs/Infrastructures shall not lapse at the end of fiscal year, and shall remain available for obligation and expenditure thereafter.

Section 13. Amendment. KSPL No. K9-250-2012, Section 6, (f), shall be amended as follows:

“f. Dept. of Law Enforcement ...
“Of this amount, the sum of \$30,000.00 is earmarked for the purchase of a vehicle and a jet ski. This sum of \$30,000.00 shall not lapse at the end of Fiscal Year 2012, and shall remain available for obligation and expenditure thereafter.”

Section 13. Amendment. Section 15 of KSPL No. K9-250-2012 is hereby amended to read as follows:

“

Further, the Governor is authorized to reprogram funds not to exceed twenty five percent (25%) to Charitable Contribution account from the following specific budget items:

- 1. Picnic Huts/Bio Toilets
- 2. Community Services
- 3. Koror State Parks Maintenance
- 4. Prior Year Obligation.”

Section 14. Amendment of Section 5.d of KSPL No. K9-250-2012, as amended by KSPL No. K9-251-2012, to increase "Contractual Service", and amendment of Section 5.f of KSPL No. K9-250-2012 to increase "Travel Expense".

a. Section 5.d of KSPL No. K9-250-2012, as amended by KSPL No. K9-251-2012, is hereby amended to increase "Contractual Service" as follows:

“d. Contractual Service ----- \$40,000.00”

b. Section 5.f of KSPL No. K9-250-2012 is hereby amended to increase "Travel Expense" as follows:

“f. Travel Expense----- \$55,000.00

c. The total amount authorized and appropriated to the Legislature in Section 5 of KSPL No. K9-250-2012, as amended by KSPL No. K9-251-2012, is also amended to reflect these increases in funding. The amount of \$10,000.00 derived from CIP Programs/Infrastructures, KSPL No. K9-250-2012, Section 10(g) as amended by KSPL No. K9-254-2012, Section 6, shall be the source of funds for the increase in funds to items Section 5.d "Contractual Services" and Section 5.f "Travel Expenses" under the Koror State Legislature.

1 **Section 15. Outside Grants and Development Assistance.** All funds received from
2 outside sources, including but not limited to US Federal Program Grants, Japan Grant Aid,
3 Republic of China (Taiwan) grants, other countries, organizations, or individual donors are hereby
4 authorized to be appropriated and are appropriated for the months of January and February of
5 Fiscal Year 2013 in the amounts received for those specific programs or projects for which they
6 are granted, donated, or otherwise contributed. US Federal Grants cost recoveries associated with
7 such program grants may be retained for use by the Governor for such purposes as are needed to
8 implement such programs or projects for which they were granted. The Director of Treasury shall
9 report monthly to the Koror State Legislature the receipt of any outside grant or development
10 assistance in the preceding month. In addition to all other reporting requirements established by
11 law or regulation, the Director of Treasury shall submit quarterly reports to the Governor and the
12 Legislature setting forth expenditures and obligations of all funds received from outside sources
13 expended or obligated pursuant to this section. The funds from such outside grants and
14 development assistance may be reprogrammed by the Governor.

15 **Section 16. Food and Beverages.** Funds may be expended by any of the branches of
16 Koror State Government, including its authorities, boards, commissions, task forces, agencies,
17 agents etc. for the purchases of food and beverages for the conduct or holding of meetings,
18 sessions, hearings, conferences, workshops, studies and etc, provided however, all such
19 expenditures shall be documented to show the nature or purpose of the gathering, the persons
20 present, and the matters discussed or transacted when food and/or beverages are purchased.

21 **Section 17. Bid Security.** Bid security shall be required for all competitive sealed
22 bidding construction contracts when the Governor estimates that the price exceeds \$20,000.00.
23 The bid security shall be in the form of a bid bond, cash, certified check, cashier's check, or other
24 form acceptable to the government. Nothing herein prevents the Governor from requiring bid

1 security for contracts under \$20,000.00 when it would be in the best interest of the government.

2 Bid security shall be an amount equal to at least 20% of the amount of the bid.

3 **Section 18. Fund Transfers.** The Governor is hereby authorized to reprogram funds
4 from one item to another, provided however, that the amount moved from one item to another shall
5 not exceed fifteen percent (15%) of the total amount apportioned for the item which the funds are
6 moved. Any left over balance after completion of any earmarked CIP Projects may be used to fund
7 other CIP projects, infrastructures or other state programs that need supplementing.

8 **Section 19. Disbursement Certification.** The sum herein appropriated shall be
9 administered by the Governor for purposes specified herein, except for funds allotted and
10 apportioned by the Ibedul, Chairman of the House of Traditional Leaders, as described in Section
11 4 and the Speaker, as described in Section 5 of this Act. No funds shall be committed or disbursed
12 for any purpose until the State Treasurer has certified the availability of funds in accordance with
13 this Act. The State Treasurer shall submit a written quarterly financial report to the Governor and
14 the Legislature fifteen (15) days after each quarter of all funds expended in accordance with this
15 Act.

16 **Section 20. Fiscal Year.** The Fiscal Year for the Koror State shall commence on
17 January 1, 2013 and ends December 31, 2013.

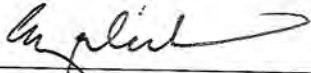
18 **Section 21. Severability.** If any part of provision of this Act is determined to be
19 unlawful or invalid, such invalidity may be stricken and shall not affect the other provisions of this
20 Act.

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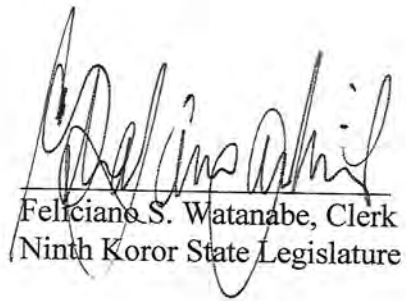
Section 22. Effective Date. This Act shall take effect upon its approval by the Governor of Koror State or upon becoming law without such approval, except as otherwise provided by law.

PASSED ON: December 21, 2012

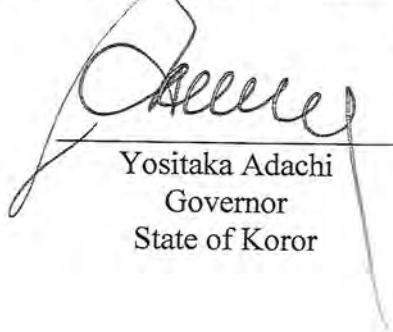
AS CERTIFIED AND ATTESTED TO BY:



Legislator Eyos Rudimch, Speaker
Ninth Koror State Legislature


Feliciano S. Watanabe, Clerk
Ninth Koror State Legislature

APPROVED ON THIS 28th DAY OF December, 2012


Yositaka Adachi
Governor
State of Koror