AN ACT

To require the Governor-elect to resign from any public employment before being sworn in to office; to prohibit certain employment by the Governor; to provide for the appointment of heads of department by the Governor with the consent of the Legislature; to authorize the House of Traditional Leaders to terminate employees of Koror State Government after providing notice and an opportunity to be heard; to amend Koror State laws which refer to the position of "Koror State Executive Administrator" instead of the "Governor;" and for purposes related to all the foregoing.

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

Section 1. <u>Resignation of Governor from public employment prior to assuming office; prohibitions.</u>

A. Any newly elected Governor of the State of Koror shall retire or resign from any employment or elected office with the State of Koror or any other State government of the Republic of Palau, and shall retire or resign from any employment or public office with the national government of the Republic of Palau, before taking the oath of office as the Governor of the State of Koror.

- B. The Governor of the State of Koror is hereby prohibited from holding a titled position as a member of the House of Traditional Leaders of Koror State Government. Any newly elected Governor shall, if titled member of the House of Traditional Leaders, resign from or otherwise relinquish his position as a titled member of the House of Traditional Leaders prior to assuming the office of Governor.
- C. The Governor of the State of Koror is hereby prohibited from entering into any contract or employment with Koror State Government, or employment with the national government and from engaging in employment with any other State government of the Republic of Palau, and may not hold any other elected or appointed office or position in the national government or Koror State Government or any other State government in the Republic of Palau, while serving as Governor of the State of Koror. The prohibitions of this subsection shall not prohibit the Governor from serving on any board, commission,

authority, or other position, as set forth in any applicable national or state law, or from receiving compensation pursuant to such national or state law.

D. In the event that a Governor of the State of Koror holds any public employment, public office or other position prohibited by this Act and in violation of this Act, then the Governor shall not receive any compensation from the State of Koror for acting as Governor during such times that the Governor holds such public employment, office, or other position in violation of this Act.

Section 2. Appointment of department heads.

A. Within sixty (60) days of taking the oath of office for Governor, the Governor shall make the appointments for the heads of all departments pursuant to Article VII, Section 1 of the first amended constitution of the State of Koror, and shall transmit the names of the appointees to the Legislature. The Legislature shall accept or reject such appointments within twenty (20) days after receiving notification from the Governor of the persons appointed as department heads. No person may act as a department head unless and until approved by the Legislature.

B. If the Governor fails to make an appointment of a department head within sixty (60) days as required by subsection (A) herein above, then no person may receive any compensation or other consideration for acting as such department head unless and until the Legislature consents to an appointment made by the Governor.

C. In the event that a Governor is re-elected, then such re-elected Governor may retain the department heads from the previous administration provided that the Governor notifies the Legislature within sixty (60) days of being sworn into office as Governor that such department heads will continue serving in the same position as in the previous administration. Any newly appointed department head, or any department head that will serve as the head of a different department than the department of the previous administration, shall make such new appointments as described herein above, and the Legislature shall approve or disapprove of such appointments as described in subsections

(A) and (B) herein above. The Governor of the Sixth Koror State Government shall appoint the department heads as described in this Act.

Section 3. <u>Authority of House of Traditional Leaders to terminate employees of</u>
Koror State Government.

A. The House of Traditional Leaders may terminate any employee of Koror State Government as set forth herein. This authority shall not extend to termination of the Governor or members of the Legislature.

B. In the event that the House of Traditional Leaders determines that the behavior, conduct, or activities of any employee falls below the standard expected of employees of Koror State Government, or is inconsistent with any law, rule, or regulations of the national government or the State of Koror, or is otherwise detrimental to the operations of Koror State Government or to the people of Koror, then the House of Traditional Leaders may provide written notice to the affected employee, advising the employee of the improper behavior, conduct, or activity, and providing a warning to the employee that if such behavior, conduct, or activities continue, then the employee is subject to termination. A copy of the notice shall also be provided to the Governor and to the Speaker of the Legislature. If the conduct described in the notice continues, then the House of Traditional Leaders may provide a second notice to the affected employee, and to the Governor and the Speaker.

C. If, after receipt of the second notice described above, the affected employee continues in the course of conduct that caused the House of Traditional Leaders to issue the warning notices described above, or continues in similar behavior, conduct, or activities, then the House of Traditional Leaders may require the appearance of the affected employee before the House of Traditional Leaders, and such employee will have an opportunity to explain his or her behavior, activities, or conduct. If the House of Traditional Leaders is not satisfied with the explanation given by the employee or otherwise believes that continued employment is not in the best interests of Koror State Government, then the House of Traditional Leaders may terminate the employee, suspend the employee, may place the employee on probation with conditions, or may take any other action that

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they deem appropriate under the circumstances. No employee who is terminated by the House of Traditional Leaders may be hired as an employee of Koror State Government without the express consent of the House of Traditional Leaders.

D. The provisions of this section shall prevail over any prior inconsistent rule, regulation, employee manual, or law of the State of Koror to the extent of such inconsistency. Nothing in this section is intended to prevent or interfere with the termination of employees by the Governor or the Speaker for their respective branches of government.

Section 4. References to "State Executive Administrator." As of January 13, 1998, all Koror State laws and ordinances, and all rules and regulations of the State of Koror, are amended to read "Governor" in place of, and instead of, "State Executive Administrator." The amendments of this section shall not make any other substantive changes, or have any effect, on any law, ordinance, rule, or regulation of the State of Koror.

Section 5. <u>Severability</u>. In the event that a court of competent jurisdiction determines that any part or portion of this law is invalid, then the offending portion or portions may be stricken, and the remaining portions shall continue in full force and effect.

Section 6. <u>Effective date</u>. This Act shall become effective upon its approval by the House of Traditional Leaders of the State of Koror, or upon its becoming law by operation of the Koror State Constitution.

PASSED: September 24, 1997

CERTIFIED BY:

ATTESTED TO BY:

/s/
Salvador Tellames, Speaker
5th Koror State Legislature

APPROVED ON THIS 26th DAY OF September , 1997.

/s/ Ibedul Y. M. Gibbons House of Traditional Leaders