

EIGHTH KOROR STATE LEGISLATURE

First Regular Session, January - March, 2006

**KSPL NO. K8-174-06
(Intro. as Bill No. 8-03,LD1)**

AN ACT

To authorize and appropriate, the sum of \$5,371,332.00 for General Operation, Capital Improvement Projects and Contingencies from Koror State Treasuries for an Annual Unified Budget of Koror State for Fiscal Year 2006; to provide and allocate funds for Meriang Settlement, 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 2006 Unified
2 Koror State Budget Act.”

3 **Section 2. Appropriation.** The sum of \$5,371,332.00 is hereby authorized and
4 appropriated for expenditures and obligations in Fiscal Year 2006 from Koror State Treasury to
5 the budget activities as set forth below, and more specifically itemized in the attached Schedule
6 A which is incorporated herein by reference.

7 **Section 3. Revenue Sources.** Of the sum herein authorized and appropriated
8 for Koror State FY 2006 Unified Budget, the amount of \$1,256,807.00 shall come from National
9 appropriations as appropriated in RPPL No. 6-51, and unexpended balance from previous CIP
10 projects as appropriated in RPPL Nos. 5-34 and 5-41. The balance of \$4,114,525.00 shall come
11 from State’s local revenues, Fishing Rights Fees, a grant from Canada for veterinarian services,
12 and the reserved account as identified in the attached Schedule B. If collections exceed projected
13 revenues, all such excess collections shall remain in the Koror State Treasury until authorized
14 and appropriated by law.

15 **Section 4. House of Traditional Leaders.** The sum of \$189,600.00 is hereby
16 authorized and appropriated for expenditures and obligations for Fiscal Year 2006 to cover
17 operational and contingent expenses of the House of Traditional Leaders. The total amount
18 appropriated shall be apportioned and allotted at the direction of the Chairman of the House of
19 Traditional Leaders and shall be allocated according to the following schedule. The entire sum
20 shall come from State’s local revenues. The Chairman of the House of Traditional Leaders is

21 hereby authorized to reprogram funds from one item to another within the House of Traditional
22 Leaders budget except as stated and restricted below, but not to exceed 15% of the total amount
23 apportioned for the item which the funds are moved.

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1	a.	Compensation and Personnel Cost -----	\$152,10
2		Of this amount, the sum of \$6,000.00 shall be used to pay for the hiring of a	
3		security/maintenance employee for the Bai ra Meketii, and this amount of \$6,000.00 may not be	
4		reprogrammed, may not be used for any other salary increase, and may not be used for any other	
5		purpose.	
6	b.	Representation Fund -----	\$6,000.
7	c.	Operational Cost -----	\$8,500.
8	d.	Travel Expense -----	\$5,000.
9	e.	Contingency and Miscellaneous Expense -----	\$4,000.
10	f.	Contractual Services -----	\$5,000.
11	g.	Capital Asset -----	\$9,000.

12 This amount shall be used to purchase a vehicle for use by the House of Traditional
 13 Leaders, and may not be reprogrammed or reduced.

14 Sub-total ----- \$189,600.00

15 **Section 5. Legislative Branch.** The sum of \$253,750.00 is hereby authorized and
 16 appropriated for expenditure or obligation for Fiscal Year 2006 for the purpose of covering the
 17 operational and contingent expenses of Koror State Legislature. The total amount appropriated
 18 shall be apportioned and allotted at the direction of the Speaker of the Koror State Legislature
 19 and shall be allocated according to the following schedule. The total sum shall derive from state
 20 local revenues. The Speaker is hereby authorized to reprogram funds from one item to another
 21 within the legislative budget, but not to exceed 15% of the total amount apportioned for the
 22 item which the funds are moved.

23	a.	Legislative Compensation and Personnel Cost -----	\$156,75
24	b.	Speaker/Vice Expense -----	\$5,000.
25	c.	Committee Expense -----	\$7,000.
26	d.	Contractual Service -----	\$25,000
27	e.	Representation Fund-----	\$5,000.
28	f.	Travel Expense -----	\$23,000

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1	g.	Operational Expense -----	\$8,000.
2	h.	Miscellaneous & Contingency -----	\$4,000.
3	i.	Capital Asset -----	\$20,000.

4 This amount shall be used for the purchase of a new vehicle.

5		Sub-total -----	\$253,750.00
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6 **Section 6. Executive Branch.** The sum of \$2,612,000.00 is hereby authorized and
7 appropriated for expenditures and obligations for Fiscal Year 2006 to cover operational and
8 contingent expenses of the Executive Branch. Of the \$2,612,000.00 the sum of \$590,000.00
9 shall derive from National appropriation for Fiscal Year 2006 including a \$30,000.00 grant from
10 Canada for a veterinarian. The balance of \$2,022,000.00 shall come from state's local revenues.

11	a.	Administration -----	\$117,800.
12	b.	Dept. of Legal Counsel -----	\$105,300.
13	c.	Dept. of Treasury -----	\$225,600.

14 Of the foregoing appropriation, the sum of \$50,000.00 shall be earmarked to defray the
15 cost of a fund audit of Koror State Government for fiscal year 2003, 2004 and 2005. Additional
16 funds may be appropriated later when needed.

17	d.	Dept. of S & C Affairs -----	\$356,000.
18	e.	Dept. of Public Works -----	\$1,219,000.

19 Of this amount, the sum of \$33,000.00 shall be used to pay for freight, shipping, and
20 related expenses for the acquisition of five (5) garbage trucks. The sum of \$500,000.00 shall be
21 used for the purchase of heavy equipment, including a grater or a backhoe, two (2) dump
22 trucks, and a compactor; any remaining funds maybe used for the purchase of other heavy
23 equipment or machinery for CIP purposes, and shall not lapse at the end of the fiscal year.

24	f.	Dept. of Law Enforcement -----	\$515,500.
25	g.	Dept. of Public Lands -----	\$72,300.

26 None of these funds may be obligated, encumbered, or expended until a Department

27 Head has been approved by the Legislature.

28		Sub-total -----	\$2,612,000.00
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Section 7. Authorities, Board and Commissions. The sum of \$221,800.00 is hereby authorized and appropriated for the expenses and obligations for Fiscal Year 2006 to cover operation and contingent expenses of the Authorities, Boards and Commissions. The entire sum shall derive from local revenues. Each KSPLA and Koror Planning Commission Board member is entitled to \$35.00 for each meeting attended, provided that no KSPLA or Koror Planning Commission member shall receive more than \$1,260.00 in any year. This compensation rate and limitation shall continue until amended bylaw.

a. KSPLA Board ----- \$109,100

No funding for Board members' compensation may be paid to any person unless such person has been lawfully appointed to serve as a member of the Board. Funds may be spent for fuel expense, Personnel Cost, Supplies Expense, Vehicle Parts & Maintenance, and Surveyor's Supplies, but funds for Contingency Fund, Miscellaneous Expense, and Contractual Services may not be obligated, encumbered, or spent unless approved by at least four (4) lawfully appointed Board members.

b. Planning Commission ----- \$112,700

Of this amount, the sum of \$10,000.00 shall be used to pay for the purchase of a new computer and related equipment, and for the purchase of software for GIS mapping equipment for Koror Zoning Map preparation and amendments.

Sub-total ----- \$221,800.00

Section 8. Insurance, Pension Plan, Social Security Tax. The sum of \$204,000.00 is hereby authorized and appropriated for Fiscal Year 2006 to cover the state's cost for Workman's Compensation, Social Security Taxes and Pension Plan contributions. Of the sum authorized and appropriated hereunder, \$60,000.00 shall come from national appropriation and \$144,000.00 shall come from state local revenues.

a. Workman's Compensation ----- \$20,000

b. Social Security ----- \$92,000

c. Pension Plan ----- \$92,000

Sub-total ----- \$204,000.00

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1 **Section 9. Communication, Utilities, Travel, Settlements, Prior Year Obligation**
2 **and Contingencies.** The sum of \$420,000.00 is hereby authorized and appropriated for
3 Fiscal Year 2006 to cover the following necessary additional operational expenses. The
4 total sum shall derive from state local revenues.

5	a.	Communications-----	\$40,000
6	b.	Travel -----	\$35,000
7	c.	Contingencies -----	\$35,000
8	d.	Utility Expense -----	\$260,000
9		Of this amount, \$155,000.00 shall be used to pay the costs of hamlet street lights.	
10	e.	Accounts Payable -----	\$25,000
11	f.	Meriang Settlement -----	\$25,000
12		Sub-total -----	\$420,000.00

13 **Section 10. State's Programs & Special Projects.** The sum of \$1,114,000.00 is
14 hereby authorized and appropriated for expenditure and obligations for Fiscal Year 2006 to
15 continue special programs and projects. Of the above authorized and appropriated sum,
16 \$250,625.00 shall derive from national appropriation and the balance of \$863,375.00 from
17 local revenues.

18	a.	Rock Island Rat Eradication Feasibility Study -----	\$5,000
19		This project shall be coordinated by the Division of Sanitation and the Department of	
20		Law Enforcement of Koror State Government.	
21	b.	Coastal Management Program -----	\$20,000
22	c.	State Housing Maintenance -----	\$5,000
23	d.	Janitorial Service -----	\$7,000
24	e.	Security Service -----	\$10,000
25	f.	Traditional Functions -----	\$5,000
26	g.	Other Hamlet Projects -----	\$65,000
27	h.	Community Services -----	\$7,000
28	i.	Charitable Contribution -----	\$10,000

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1	j.	Picnic Huts and Bio Toilets -----	\$30,000
2	k.	Long Island Park -----	\$15,000
3	l.	CIP Programs / Infrastructures -----	\$735,000
4		This amount shall be earmarked and allotted for the following projects:	
5	(1)	Iyebukl Hamlet	
6		(A) Kual/Emmaus ditch -----	\$12,000
7	(2)	Idid Hamlet	
8		(A) Tnger drainage -----	\$17,000
9	(3)	Ngerbeched Hamlet	
10		(A) Ngetkedam dock improvement -----	\$7,000.
11		(B) Koichi Wong lane -----	\$11,000
12		(C) Albert Shiro lane -----	\$16,000
13	(4)	Meyuns Hamlet	
14		(A) Basketball court improvement -----	\$13,000
15	(5)	Medalaih Hamlet	
16		(A) Kalistus lane -----	\$12,000
17		(B) Track & Field road -----	\$23,000
18		(C) Education Bldg. (Back road) -----	\$4,000.
19	(6)	Ngermid Hamlet - Brownny's Lane -----	\$89,000
20		For concrete road and road drainage	
21	(7)	Ngerkesoaol Hamlet - Road A and B -----	\$42,000
22		For concrete road below Dr. Ueki's house	
23	(8)	Iyebukl Reclamation -----	\$85,000
24		To complete dredging and for Head Start School area	
25	(9)	Ngerbeched. Hamlet - Telael Lane -----	\$44,000
26		For concrete road and road drainage	
27	(10)	Ngerbeched Hamlet - Ked Lane -----	\$10,000
28		For concrete road on west side of main road, across the	

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1		street from Yuhi Motel, Desekel	
2	(11)	Mokko - Idid/Ikelau Playground -----	\$75,000
3		To be used for drawings, plans, and designs	
4	(12)	Ngerkebesang - Marina and boat basin -----	\$90,000
5		To be used for dredging and dock improvements, and for	
6		drawings, plans, and design, for area situated across from	
7		the Palau Pacific Resort entrance	
8	(13)	Meyuns Hamlet - Youth Center -----	\$90,000
9		For construction of a Youth Center (skoizio ra Meyuns)	
10	(14)	Animal Shelter - Road and drainage-----	\$45,000
11	(15)	Bai ra Meketii - renovation -----	\$30,000
12	(16)	Maris Stella road widening -----	\$10,000
13	(17)	Meketii Hamlet - Delui Road drainage -----	\$10,000
14	m.	Solid Waste Management Program -----	\$170,000
15	n.	Jellyfish Lake floating dock -----	\$ 30,000
16		Section 11. <u>Special Continuing CIP Project.</u> The sum of \$356,182.00 is	
17		hereby authorized and appropriated for specially-earmarked projects for Fiscal Year 2006. The	
18		entire sum of \$356,182.00 shall come from National appropriations as specified in RPPL 5-34	
19		and 5-41.	
20	a.	Ngara Amayong Abai (RPPL 5-4].) -----	\$294,500
21	b.	Special Earmarked Projects (RPPL No. 5-34) -----	\$54,000
22	c.	Ngerkebesang Road Project (RPPL 5-41) -----	\$7,639.
23		Sub-total -----	\$356,182.00

24 Any unexpended or unobligated balance of the appropriations in this section shall not lapse at the
25 end of fiscal year and shall carry over to new fiscal year.

26 **Section 12. Food and Beverages.** Funds may be expended by any of the three

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branches of Koror State Government, including its authorities, boards, commissions, task forces,
28 agencies, agents etc. for the purchases of food and beverages for the conduct or holding of
29 meetings, sessions, hearings, conferences, workshops, studies etc. Provided, however, all such

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1 expenditures

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1 shall be documented to show the nature or purpose of the gathering, the persons present, and the
2 matters discussed or transacted when food and/or beverages are purchased.

3 **Section 13. Bid Security.** Bid Security shall be required for all competitive sealed
4 bidding construction contracts when the Governor estimates that the price exceeds \$20,000. The
5 bid security shall be in the form of a bid bond, cash, certified check, cashier's check, or other
6 form acceptable to the government. Nothing herein prevents the Governor from requiring bid
7 security for contracts under \$20,000 when it would be in the best interest of the government. Bid
8 security shall be an amount equal to at least 20% of the amount of the bid and shall continue
9 thereafter.

10 **Section 14. Fund Transfers.** The Governor is hereby authorized to reprogram funds
11 from one item to another, except for special projects as earmarked in RPPL No.5-34, RPPL No.
12 5-41 and Section 9 (f) Meriang Settlement, of this Act, and provided, however, that the amount
13 moved from one item to another shall not exceed fifteen percent (15%) of the total amount
14 apportioned for the item which the funds are moved. Any left over fund after completion of any
15 earmarked CIP Projects may be used to fund other CIP projects, infrastructures or other state
16 programs that need supplemental funding.

17 **Section 15. Disbursement Certification.** The sum herein appropriated shall be
18 administered by the Governor for purposes specified herein. No funds shall be committed or
19 disbursed for any purpose until the State Treasurer has certified the availability of funds in
20 accordance with this Act. The State Treasurer shall submit a written quarterly financial report to
21 the Governor and the Legislature fifteen (15) days after each quarter of all funds expended in
22 accordance with this Act.

23 **Section 16. Repeal of Interim Budget.** Koror State Public Law No. K7-169-
24 2005, the interim budget for the first three months of fiscal year 2006, is hereby repealed in its
25 entirety.
26

27 **Section 17. Fiscal Year.** The Fiscal Year for the Koror State shall commence on
28 January 1, 2006 and ends December 31, 2006.

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

4 **Section 19. Effective Date.** This Act shall take effect upon its approval by the
5 Governor or upon its becoming law by operation of the Koror State Constitution.

PASSED: March 30, 2006

CERTIFIED BY:

ATTESTED TO BY:

/s/ _____
Timothy Uehara, Speaker
Eighth Koror State Legislature

/s/ _____
Rena Iluches, Clerk
Eighth Koror State Legislature

APPROVED ON THIS 31st DAY OF March, 2006.

/s/
Yositaka Adachi
Governor, Koror State