

AN ACT

To authorize and appropriate the sum of \$6,185,470.00 for General Operation, Capital Improvement Projects and Contingencies from Koror State Treasuries for an Annual Unified Budget of Koror State for Fiscal Year 2008; 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 2008 Unified
2 Koror

3 State Budget Act." **Section 2. Appropriation.** [sic] The sum of \$6,185,470.00 is hereby
4 authorized and appropriated for expenditures and obligations in Fiscal Year 2008 from Koror
5 State Treasury to the budget activities as set forth below, and more specifically itemized in the
6 attached Schedule A which is incorporated herein by reference.

7 **Section 3. Revenue Sources.** Of the sum herein authorized and appropriated for
8 Koror State FY 2008 Unified Budget, the amount of \$1,218,807.00 shall come from National
9 appropriations as appropriated in RPPL No. 7-37, and unexpended balance from previous CIP
10 projects as appropriated in RPPL Nos. 5-34 and RPPL 5-41. The balance of \$4,966,663.00 shall
11 come from State's local revenues, Fishing Rights Fees, and the reserved account as identified in
12 the attached Schedule B. If collections exceed projected revenues, all such excess collections
13 shall remain in the Koror State Treasury until authorized and appropriated by law.

14 **Section 4. House of Traditional Leaders.** The sum of \$126,000.00 is hereby
15 authorized and appropriated for expenditures and obligations for Fiscal Year 2008 to cover
16 operational and contingent expenses of the House of Traditional Leaders. The total amount
17 appropriated shall be apportioned and allotted at the direction of the Chairman of the House of
18 Traditional Leaders and shall be allocated according to the following schedule. The entire sum
19 shall come from State's local revenues. The Chairman of the House of Traditional Leaders is
20 hereby authorized to reprogram funds from one item to another within the House of Traditional

21 Leaders budget, but not to exceed 15% of the total amount apportioned for the item which the
22 funds are moved; provided, however, that the

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

3	a. Compensation -----	\$ 72,000.00
4	b. Personnel Cost -----	\$ 37,500.00
5	c. Representation Fund -----	\$ 2,000.00
6	d. Operational Cost -----	\$ 8,000.00
7	f. Travel Expense -----	\$ 2,500.00
8	g. Contingency and Miscellaneous Expense -----	\$ 4,000.00
9	Sub-total -----	\$ 126,000.00

10 **Section 5. Legislative Branch.** The sum of \$285,800.00 is hereby authorized to be
11 appropriated and is appropriated for expenditure or obligation for FY 2008 for the purpose of
12 covering the operational and contingent expenses of Koror State Legislature. The total amount
13 appropriated shall be apportioned and allotted at the direction of the Speaker of the Koror State
14 Legislature and shall be allocated according to the following schedule. The total sum shall derive
15 from state local revenues. The Speaker is hereby authorized to reprogram funds from one item to
16 another within the legislative budget, but not to exceed 15% of the total amount apportioned for
17 the item which the funds are moved.

18	a. Legislative Compensation -----	\$ 114,800.00
19	b. Personnel Cost-----	\$ 69,000.00
20	c. Speaker/Vice Speaker Expense -----	\$ 6,000.00
21	d. Committee Expense-----	\$ 7,000.00
22	e. Contractual Service -----	\$ 30,000.00
23	f. Representation Fund-----	\$ 4,500.00
24	g. Travel Expense -----	\$ 35,000.00
25	h. Operational Expense -----	\$ 15,500.00
26	i. Miscellaneous & Contingency -----	\$ 4,000.00

1 Sub-total ----- \$ 285,800.00

2 Section 6. Executive Branch. The sum of \$2,874,300.00 is hereby authorized and
3 appropriated for expenditures and obligations for Fiscal Year 2008 to cover operational and
4 contingent expenses of the Executive Branch. The entire sum shall derive from local revenues.

5 a. Administration ----- \$ 166,500.00

6 b. Dept. of Legal Counsel----- \$ 145,800.00

7 c. Dept. of Treasury ----- \$ 254,000.00

8 d. Dept. of State & Cultural Affairs ----- \$ 534,000.00

9 e. Dept. of Public Works----- \$1,048,500.00

10 Of this amount, all hamlet crew currently on board as of November 1, 2007 shall receive a \$25.00 "across the board"

11 g. Dept. of Resources & Development.----- \$ 0

12

13 Section 7. Authorities, Board and Commissions. The sum of \$395,000.00 is
14 hereby authorized and appropriated for the expenses and obligations for Fiscal Year 2008 to
15 cover operation and contingent expenses of the Authorities, Boards and Commissions. The
16 entire sum shall derive from local revenues.

17 a. KSPLA Board----- \$ 254,000.00

18 b. Planning Commission ----- \$ 141,000.00

19 Sub-total ----- \$ 395,000.00

20 Section 8. Insurance, Pension Plan, Social Security Tax and Medical Insurance.

21 The sum of \$715,188.00 is hereby authorized and appropriated for Fiscal Year 2008 to cover the
22 state's cost for Workman's Compensation, Social Security Taxes, Pension Plan contribution, and
23 Medical Insurance. Of the \$715,188.00 the sum of \$100,625.00 shall derive from National
24 appropriation for Fiscal Year 2008. The balance of \$614,563.00 shall. come from state's local
25 revenues.

1 a. Workman's Compensation ----- \$ 20,000.00

2 b. Social Security ----- \$ 270,000.00

3 Of this amount, the sum of \$120,000.00 shall be used to pay prior years' Social Security
4 obligations.

5 c. Pension Plan ----- \$ 145,188.00

6 d. Medical Insurance ----- \$ 280,000.00

7 All employees who have worked for more than three months shall be required to obtain
8 medical insurance.

9

10 **Section 9. Communication, Utilities, Travel, Prior Year Obligation and**
11 **Contingencies.** The sum of \$510,000.00 is hereby authorized and appropriated for Fiscal Year
12 2008 to cover necessary additional operational expenses for communications, travel, and
13 contingencies. Of the \$510,000.00 the sum of \$62,000.00 shall derive from National
14 appropriation for Fiscal Year 2008. The balance of \$448,000.00 shall come from state's local
15 revenues.

16 a. Communications ----- \$ 50,000.00

17 b. Travel ----- \$ 90,000.00

18 c. Contingencies ----- \$ 60,000.00

19 d. Utility Expense ----- \$ 270,000.00

20 e. Prior Year Obligation ----- \$ 40,000.00

21 Sub-total ----- \$ 510,000.00

22 **Section 10. State's Programs & Special Projects.** The sum of \$928,000.00 is hereby
23 authorized and appropriated for expenditure and obligations for Fiscal Year 2008 to continue
24 special programs and projects. Of the sum authorized and appropriated hereunder, \$705,000.00
25 shall come from the national appropriations, \$223,000.00 shall come from state local revenues.

26 a. Coastal Management Program ----- \$ 20,000.00

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b. State Buildings Maintenance ----- \$ 20,000.00

1	c. Traditional Functions -----	\$ 10,000.00
2	d. Other Hamlets Projects -----	\$ 80,000.00
3	e. Community Services -----	\$ 8,000.00
4	f. Charitable Contribution -----	\$ 15,000.00
5	g. Picnic Huts and Bio Toilets -----	\$ 30,000.00
6	h. Koror State Parks -----	\$ 30,000.00
7	i. CIP Programs /Infrastructures -----	\$ 500,000.00
8	1. Ngermid Hamlet -----	\$84,000.00
9	Camilus Lane; Tutoud Lane; Etang Lane; and Mother & Child	
10	Road Extension.	
11	2. Ngerkesowaol Hamlet -----	\$30,000.00
12	3. Ngerchemai Hamlet -----	\$35,000.00
13	Access roads: Etiu-Brobesong; Johnson-Remeskang; and Itungel.	
14	4. Iyebukel Hamlet Landfill -----	\$50,000.00
15	5. Idid Hamlet -----	\$30,000.00
16	Taropatch Access Improvement & Foot Bridge.	
17	6. Meketii Hamlet -----	\$100,000.00
18	Delui Connection Road and McCarthy Road	
19	7. Ikelau Hamlet Ditch Drainage -----	\$35,000.00
20	8. Ngerbeched Hamlet-----	\$65,000.00
21	Yuhi Road; Basketball Court Lights; and Idesiar Lane,	
22	Ditch and Drainage.	
23	9. Meyuns Hamlet -----	\$35,000.00
24	RC Culvert & Concreting Drainage; Extension Youth	
25	Center Sidewalk; and Morisong Sidewalk.	
26	10. Ngerkebesang Hamlet Iluches Lane -----	\$36,000.00

1	j. Solid Waste Management Program -----	\$ 125,000.00
2	k. KSG 25 th Constitution Day Celebration -----	\$ 40,000.00
3	l. JellyFish Lake Outside Landing Renovation & Expansion -----	\$ 50,000.00
4	Sub-total -----	\$ 928,000.00

5 **Section 11. Special Continuing CIP Project.** The sum of \$351,182.00 is hereby
6 authorized and appropriated for specially earmarked projects for Fiscal Year 2008. The entire
7 sum of \$351,182.00 shall come from National appropriations as specified in RPPL 5-34 and
8 RPPL 5-41.

9	a. Ngara Amayong Abai (RPPL 5-41) -----	\$ 294,539.00
10	b. Special Earmarked Projects (RPPL No. 5-34) -----	\$ 49,004.00
11	c. Ngerkebesang Road Project (RPPL No. 5- 34) -----	\$ 7,639.00
12	Sub-total -----	\$ 351,182.00

13 Any unexpended or unobligated balance of the appropriations in this section shall not lapse at the
14 end of Fiscal Year and shall carry over to new Fiscal Year.

15 **Section 12. Amendment to KSPL No. K8-179-2006 to appropriate \$428,325.00.**

16 a. Section 2 of KSPL No. K8-179-2006 is hereby amended as follows:

17 "Section 2. Appropriation. The sum of \$5,284,765.00 is hereby authorized and
18 appropriated for expenditures and obligations in Fiscal Year 2007 from Koror State Treasury to the
19 budget activities as set forth above, and more specifically itemized in the attached Schedule A
20 which is incorporated herein by reference."

21 b. Section 10 (1) of KSPL No. K8-179-2006 is hereby amended as follows:

22 "1. CIP Pro
23 These funds shall be allotted for the following projects...."

24 These amendments shall be retroactive and shall be effective as of the date of KSPL No. K8-179-
25 2006.

26 **Section 13. Outside Grants and Development Assistance.** All funds received from
27 outside sources, including, but not limited to US Federal Program Grants, Japan Grant Aid,

1 Republic

1 of China (Taiwan) grants, other countries, organizations, or individuals donors, are hereby
2 authorized to be appropriated and are appropriated for fiscal 2008 in the amounts received for
3 those specific programs or projects for which they are granted, donated, or otherwise contributed.
4 US Federal Grants cost recoveries associated with such programs grants may be retained for use
5 by the Governor for such purposes as are needed to implement such programs or projects for
6 which they were granted. The Director of Treasury shall report monthly to the Koror State
7 Legislature the receipt of any outside grant or development assistance in the preceding month. In
8 addition to all other reporting requirements established by law or regulation, the Director of
9 Treasury shall submit quarterly reports to the Governor and the Legislature setting forth
10 expenditures and obligations of all funds received from outside sources and expended or
11 obligated pursuant to this section. The funds from such outside grants and development
12 assistance may be reprogrammed by the Governor.

13 **Section 14 . Food and Beverages.** Funds may be expended by any of the branches of
14 Koror State Government, including its authorities, boards, commissions, task forces, agencies,
15 agents etc. for the purchases of food and beverages for the conduct or holding of meetings,
16 sessions, hearings, conferences, workshops, studies etc. Provided, however, all such
17 expenditures shall be documented to show the nature or purpose of the gathering, the persons
18 present, and the matters discussed or transacted when food and/or beverages are purchased.

19 **Section 15. Bid Security.** Bid Security shall be required for all competitive sealed
20 bidding construction contracts when the Governor estimates that the price exceeds \$20,000.00.
21 The bid security shall be in the form of a bid bond, cash, certified check, cashier's check, or other
22 form acceptable to the government. Nothing herein prevents the Governor from requiring bid
23 security for contracts under \$20,000.00 when it would be in the best interest of the government.
24 Bid security shall be an amount equal to at least 20% of the amount of the bid and shall continue
25 thereafter.

26 **Section 16. Fund Transfers.** The Governor is hereby authorized to reprogram funds
27 from one item to another, except for specifically earmarked funds for special projects as

1 earmarked in RPPL No. 5-34 and RPPL No. 5-41, provided, however, that the amount moved from
2 one item to

1 another shall not exceed fifteen percent (15%) of the total amount apportioned for the item which
2 the funds are moved. Any left over balance after completion of any earmarked CIP Projects may be
3 used to fund other CIP projects, infrastructures or other state programs that need supplementing.

4 **Section 17. Disbursement Certification.** The sum herein appropriated shall be
5 administered by the Governor for purposes specified herein. No funds shall be committed or
6 disbursed for any purpose until the Director of the Department of Treasury has certified the
7 availability of funds in accordance with this Act. The Director of the Department of Treasury
8 shall submit a written quarterly financial report to the Governor and the Legislature fifteen (15)
9 days after each quarter of all funds expended in accordance with this Act.

10 **Section 18. Fiscal Year.** The Fiscal Year for the Koror State shall commence on
11 January 1, 2008 and ends December 31, 2008.

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

1 **Section 20. Effective Date.** This Act shall take effect upon its approval by the
2 Governor or upon its becoming law by operation of the Koror State Constitution.

PASSED ON: December 21, 2007

CERTIFIED BY:

ATTESTED TO BY:

_____/s/_____
Timothy "Tero" Uehara
Speaker
Eighth Koror State Legislature

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

APPROVED ON THIS 24th DAY December, 2007

_____/s/_____
Yositaka Adachi
Governor
Koror State Government

***Note: FY 2008 Schedule A & B-attached to K8-190-07 was not scanned.**