

**ACT**

To amend the KSPL No. K6-124-2001, by adding a new Section 4 relating to forfeiture of business license for non-operation of business, amend the definition of “live aboards”, and to increase the number of live aboard vessels from seven up to ten vessels, and for related purposes.

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

**Section 1. Findings.**

1           The Eighth Koror State Legislature hereby finds that the Government of the State of Koror  
2 is charged with taking every step reasonable and necessary to promote, among other things, the  
3 well being of all of the people in the State of Koror. The Legislature finds that until such time  
4 operation of live aboard vessels shows no negative impact within the waters of the State of  
5 Koror, the Legislature wishes to exercise extreme precaution in protecting the marine  
6 ecosystem contained and comprising the waters of the State of Koror, and limit the number of  
7 legal liveaboard vessels operating thereupon, which led to the enactment of **KPSL**[sic] No.  
8 K6-124-01. Accordingly, the Legislature hereby finds that limiting the number of live-aboard  
9 vessels legally operating in the waters of Koror has created competition among prospective  
10 operators, and that operators are obtaining license to operate a live-aboard and to “reserve”  
11 one of the licenses without conducting live-aboard operations, depriving others of the ability  
12 to operate a legitimate live-aboard business in the waters of Koror. The Legislature hereby  
13 finds it unfair for prospective live-aboard operators to wait on the legally licensed live-aboard  
14 operators who are not actually operating. The Legislature further finds that legally licensed  
15 live-aboard operators shall forfeit a business license unless they start operating within 6  
16 months from the date of license issuance or within 6 months from the effective date of this  
17 Act. The Legislature further finds that in any live-aboard license application, the applicant  
18 shall be required to identify the specific vessel to be used as a live-aboard and the location of  
19 the vessel, and shall also be required to state the name of the captain and crew of the live-aboard  
20 vessel.  
21

1           The Legislature further finds that by increasing the number of legal live aboard vessels  
2 from seven (7) to ten (10) vessels, more people will be able to enjoy scuba diving and  
3 recreational activities in Koror, and more business can be generated for local business  
4 enterprises in Palau. This increase can be accomplished in part by amending the definition  
5 of live-aboards to include sailboats, regardless of the number of vessel cabins.

6           **Section 2. Amendment.**

7           KPSL[sic] No. K6-124-01 is hereby amended to add new Section 4 as follows:

8                   “Section 4. License forfeiture; license application.

9                   A. If Koror State Government issues a license for a live-aboard  
10 vessel, such license shall be automatically forfeited and shall be  
11 invalid unless the applicant for, or the owner of, the live-aboard operation  
12 is actually conducting live-aboard operations, and has actually carried  
13 guests for hire or has had actual human occupancy on the live-aboard  
14 vessel for commercial diving purposes on a regular and continuous basis  
15 within (6) months after issuance of the license. Koror State Government  
16 shall provide written notice of such forfeiture to the applicant.

17                   B. Each separate live aboard vessel is required to obtain a separate  
18 license. At the time of submitting an application for a license to engage in  
19 live-aboard operations, the applicant shall state and identify the name and  
20 location of the live-aboard vessel, along with a physical description of the  
21 length of the vessel. The applicant shall also state the name and  
22 citizenship of the captain or other person in charge of the operation and  
23 movement of the live-aboard vessel. If all such information is not  
24 provided by the applicant, or if any information provided is false or  
25 incorrect, the license may be denied or revoked in the discretion of Koror  
26 State Government, and such denial may be appealed to the Governor within

1                   C. The business license forfeiture provisions herein above shall  
 2                   become effective for the 2010 calendar year, and shall apply to all licenses  
 3                   issued for the year 2010 and afterward. Any person aggrieved by any  
 4                   forfeiture may apply to the Governor for reconsideration within thirty (30)  
 5                   days of receiving notice of forfeiture, and may thereafter apply for any  
 6                   further relief in the courts of the Republic of Palau within six months of  
 7                   any decision by the Governor, or any such claim shall be forever barred.”

8                   Subsequent sections of KSPL No. K6-124-01 shall be renumbered accordingly.

9                   **Section 3. Amendment of Section “3.” of KSPL No. K6-124-2001 to increase the**  
 10                  **number of legal live aboard vessels.**

11                  Section 3 of KSPL No. K6-124-2001 is hereby amended to read as follows:

12                   “Section 3. Ban on new live-aboard vessels declared; Prohibitions. There  
 13                   is hereby established a ban on the establishment or operation of live-aboard  
 14                   vessels and operations related thereto . . . provided, however, that  
 15                   notwithstanding anything to the contrary set forth herein, at no time shall the  
 16                   amount of Legal Live-Aboards operating in the waters of the State of Koror  
 17                   exceed ten (10) vessels.”

18                  **Section 4. Amendment of Section “2.C.” of KSPL No. K6-124-2001 to change the**  
 19                  **definition of “live-aboard vessel”.**

20                  Section “2.C.” of Koror State Public Law No. K6-124-2001 is hereby amended to read as  
 21                  follows:

22                   “C. “Live-aboard vessel” means any vessel, other than a floating  
 23                   hotel (as defined in Koror State Public Law No. K6-87-98) non-  
 24                   Palauan citizens for the purpose of engaging in recreational activities,  
 25                   and which anchors, moors, or lingers at or in locations located within  
 26                   the waters of the State of Koror including vessels which anchor or

27                   moor overnight with guests. Specifically excluded from this definition  
 28                   are ocean going cruise

1 line vessels which do not operate within the waters of the State of  
2 Koror for more than five (5) days in any one month, and which travel  
3 to and from international ports as part of their normal operations.”

4 **Section 5. Severability.**

5 In the event that a court of competent jurisdiction determines that any part or portion of this  
6 law is invalid, then the offending portion or portions may be **may be** [sic] stricken, and the  
7 remaining portions shall continue in full force and effect.

8 **Suction 6. Effective date.**

9 This Act shall become effective upon its becoming law by operation of the Koror State  
10 Constitution.

**PASSED ON: December 17, 2009**

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 22<sup>nd</sup> DAY OF December, 2009

\_\_\_\_\_/s/  
Yositaka Adachi  
Governor  
State of Koror