

AN ACT

To enact a budget law for Fiscal Year 2025 through the authorization of the sum of \$134,005,990 and appropriation of the amount of \$131,797,143 from the National Treasury for the annual general operations, special revenue, and debt service budget of the Republic of Palau for the fiscal year ending September 30, 2025, to amend Section 2 of RPPL 11-31 for the Ministry of Health and Human Services, to amend Section 40 of RPPL 11-31 for NDBP Loan Restructuring, to amend Section 1526 of PNC Title 23 for voting polling places, and for related purposes.

THE PEOPLE OF PALAU REPRESENTED IN THE OLBIIL ERA KELULAU DO ENACT AS FOLLOWS:

1 Section 1. Short Title. This Act shall be known as and may be cited as the “Fiscal
2 Year 2025 Budget Act.”

3 Section 2. Executive Branch Operations. The sum of \$58,808,181 is authorized
4 to be appropriated and is hereby appropriated for expenditure and obligation for
5 Fiscal Year 2025 for the purpose of covering the operational and contingent expenses
6 of the Executive Branch. The total amount authorized to be appropriated and hereby
7 appropriated shall come from the following sources: the amount of \$22,286,606 shall
8 come from anticipated discretionary general fund revenues; the amount of \$15,000,000
9 shall come from the Compact Trust Fund (CTF); the amount of \$20,400,000 shall come
10 from the 2023 Compact Review Agreement (CRA2023) fund for Operations; and the
11 amount of \$1,121,575 shall come from the Pristine Paradise Environmental Fund
12 allocation for the Palau International Airport. The total amount authorized to be
13 appropriated and hereby appropriated in this section shall be allocated according to
14 the following schedule, respectively:

15	(1) Office of the President	
16	(a) President’s Office	1,074,896
17	(b) Official Expenses	23,000
18	(c) Grants Coordinator	68,000
19	(d) National Security	93,604
20	(e) Council of Chiefs	146,800
21	(f) Presidential Stipend	45,000
22		Sub-Total \$1,451,300

1	(2) Office of the Vice-President		
2	(a) Vice President's Office		337,622
3	(b) National Emergency Management Office		281,939
4		Sub-Total	\$619,561
5	(3) Ministry of Finance		
6	(a) Office of the Minister		238,000
7	<i>Of these funds, the sum of \$180,000, or so much thereof as may</i>		
8	<i>be necessary, is earmarked to conduct State Audits.</i>		
9	(b) Palau Energy & Water Administration		142,208
10	(c) Economic Diversification Initiatives		195,760
11	(d) Information Systems Support Services		664,018
12	<i>Of these funds, the sum of \$400,000, or so much thereof as may</i>		
13	<i>be necessary, is earmarked for the migration from legacy IT</i>		
14	<i>infrastructure and data storage to cloud services.</i>		
15	(e) Bureau of National Treasury		1,183,914
16	(f) Bureau of Budget & Planning		848,000
17	(g) Bureau of Revenue & Taxation		921,000
18	(h) Bureau of Customs & Border Protection		2,229,000
19		Sub-Total	\$6,421,900
20	(4) Ministry of State		
21	(a) Office of the Minister		58,000
22	(b) ROP Consulate Office in Guam		133,208
23	(c) ROP Embassy in Washington, D.C.		350,000
24	(d) ROP Embassy in Taipei, Taiwan		253,600
25	(e) ROP Embassy in Tokyo, Japan		751,000
26	(f) United Nations Representation Office		439,000
27	(g) ROP Embassy in Manila, Philippines		159,600
28	(h) ROP Consulate Office in Saipan		0
29	(i) Office of the Public Defender		348,622
30	(j) Bureau of Foreign Affairs & Trade		516,292

1	(k) Bureau of Domestic Affairs	205,226
2	(l) Bureau of Archive & Media	371,244
3	(m) Passport Office	106,208
4	(n) International Organizations Obligations/Dues & Fees	311,000
5	(o) Southwest Island Field Trips/Sonsorol & Hatohobei	356,000
6	(p) ROP Embassy for European Union/Switzerland	237,000
7	(q) ROP Embassy in Suva, Fiji	0
8	(r) Hawaii Consulate Office	70,000
9	Sub-Total	\$4,666,000
10	(5) Ministry of Education	
11	(a) Office of the Minister	58,000
12	(b) School Books, Supplies & Inst. Equip.	752,300
13	(c) Bureau of Curriculum & Instruction	808,450
14	(d) Food Service Program	1,500,000
15	(e) Bureau of School Operations	8,728,950
16	Sub-Total	\$11,847,700
17	(6) Ministry of Justice	
18	(a) Minister of Justice	0
19	(b) Office of the Attorney General	750,640
20	(c) Bureau of Public Safety	5,100,100
21	(d) Division of Maritime Security & FWP	1,473,540
22	(e) Information Technology Management Office	50,000
23	(f) Office of Professional Standards	60,000
24	Sub-Total	\$7,434,280
25	(7) Ministry of Health and Human Services	
26	(a) Office of the Minister	58,000
27	(b) Palau Severely Disabled Assistance Fund	1,100,227
28	(c) Bureau of Public Health & Human Services	1,912,258
29	(d) Bureau of Hospital & Clinical Services	8,190,968
30	(e) Bureau of Health System Administration	1,843,650

1	(f)	Hemodialysis	648,450
2			Sub-Total \$13,753,553
3	(8)	Ministry of Human Resources, Culture, Tourism & Development	
4	(a)	Office of the Minister	58,000
5	(b)	Olchotel Belau Fair	50,000
6	(c)	Palau Small Business Development Center	55,000
7	(d)	National Youth and Cheldebechel Council	30,000
8	(e)	WIA Grant Contribution	120,000
9	(f)	Bureau of Human Resources	782,658
10	(g)	Bureau of Cultural and Historical Preservation	277,226
11	(h)	Bureau of Tourism	242,810
12	(i)	Bureau of Development	610,193
13			Sub-Total \$2,225,887
14	(9)	Ministry of Public Infrastructure & Industries	
15	(a)	Office of the Minister	58,000
16	(b)	FAA, UNDP & Other Match	354,000
17	(c)	Bureau of Communications	214,055
18	(d)	Bureau of Marine Transportation	407,948
19	(e)	Bureau of Aviation	2,221,065
20	(f)	Bureau of Lands and Survey	978,026
21	(g)	Bureau of Public Works	1,809,496
22	(h)	National Capitol Electricity/Maintenance	2,416,810
23			Sub-Total \$8,459,400
24	(10)	Ministry of Agriculture, Fisheries & Environment	
25	(a)	Office of the Minister	58,000
26	(b)	Bureau of Fisheries	835,900
27	(c)	Bureau of Agriculture	776,800
28	(d)	Bureau of Environment	257,900
29			Sub-Total \$1,928,600
30		Section 2 Total	\$58,808,181

1 **Section 3. Judicial Branch.** The sum of \$4,541,930 is authorized to be
 2 appropriated and \$3,975,000 is hereby appropriated for expenditure or obligation for
 3 Fiscal Year 2025 for the purpose of covering the operational and contingent expenses
 4 of the Judicial Branch. The entire amount of the funds authorized and appropriated in
 5 this section shall come from local revenues.

(1) Judicial Branch	3,975,000
Section 3 Total	\$3,975,000

8 **Section 4. Legislative Branch.** The sum of \$8,343,000 is authorized to be
 9 appropriated and is hereby appropriated for expenditure or obligation for Fiscal Year
 10 2025 for the purpose of covering the operational and contingent expenses of the
 11 Legislative Branch. The entire amount of funds authorized and appropriated in this
 12 section shall come from local revenues. The total authorization and appropriation shall
 13 be allocated according to the following schedule:

(1) Senate	3,165,000
(2) Senate Legal Counsel Office	303,142
(3) House of Delegates	3,372,218
(4) House Legal Counsel Office	357,414
(5) Joint Staff	355,226
(6) Association of Pacific Island Legislatures (APIL)	50,000
(7) Inter-Parliamentary Union (IPU)	20,000
(8) Palau-Japan Parliamentary Friendship	50,000
(9) Electricity for Koror OEK building	50,000
(10) Pacific Island Development Bank	20,000
(11) OEK Office Rental and Equipment	100,000
(12) OEK Chamber Capital Expenditures	500,000

26 *Of this amount, \$250,000 shall be appropriated for the House of Delegates*
 27 *chamber and \$250,000 shall be appropriated for the Senate chamber.*

28 **Section 4 Total \$8,343,000"**

29 **Section 5. Boards, Commissions, and Authorities.** The sum of \$1,886,833 is
 30 authorized to be appropriated and is hereby appropriated for expenditure and

1 obligation for Fiscal Year 2025 for the purpose of funding the operational and
2 contingent expenses of Boards, Commissions, and Authorities. The entire amount of
3 funds authorized and appropriated in this section shall come from local revenues. The
4 total authorization and the total appropriation shall be allocated according to the
5 following schedule, respectively:

6	(1) Foreign Investment Board	209,414
7	(2) Palau Election Commission	514,872
8	(3) COFA Board of Trustees	95,000
9	(4) Palau Public Lands Authority	149,176
10	(5) Parole Board	48,604
11	(6) Palau Housing Authority	250,000
12	(7) Ethics Commission	49,604
13	(8) Financial Institutions Commission (FIC)	126,644
14	(9) Financial Investigations Unit (FIU)	227,103
15	(10) Code Commission	60,208
16	(11) Language Commission	56,208
17	(12) Belau National Hospital Authority	100,000
18	Section 5 Total	\$1,886,833

19 Section 6. State Block Grants. The sum of \$13,088,600 is authorized to be
20 appropriated and is hereby appropriated for expenditure or obligation for Fiscal Year
21 2025 for the purpose of State Governments' operational and capital improvement
22 projects expenses. The entire amount of funds authorized and appropriated in this
23 section shall come from local revenues. The amount authorized to be appropriated
24 shall be available for expenditure for operations and CIP projects in accordance with
25 40 PNC Chapter 22. The total authorization and total appropriation shall be allocated
26 according to the following schedule, respectively:

27	(1) Aimeliik State	710,000
28	(2) Airai State	1,005,360
29	(3) Angaur State	658,880
30	(4) Hatohobei State	563,740

1	(5) Kayangel State	621,960
2	(6) Koror State	2,502,500
3	(7) Melekeok State	694,380
4	(8) Ngaraard State	759,700
5	(9) Ngarchelong State	759,700
6	(10) Ngardmau State	687,280
7	(11) Ngaremlengui State	700,060
8	(12) Ngatpang State	678,760
9	(13) Ngchesar State	710,000
10	(14) Ngiwal State	687,280
11	(15) Peleliu State	785,260
12	(16) Sonsorol State	563,740
13	Section 6 Total	\$13,088,600

14 **Section 7. Independent Agencies.** The sum of \$3,629,522 is authorized to be
15 appropriated and is hereby appropriated for expenditure or obligation for Fiscal Year
16 2025 as operating grants or subsidies for independent agencies of the National
17 Government. The entire amount of the funds authorized and appropriated in this
18 section shall come from local revenues. The total authorization and appropriation shall
19 be allocated according to the following schedule, respectively:

20	(1) Office of the Public Auditor	831,828
21	<i>Of this amount, \$80,000 shall be earmarked for the cost of renovating the new</i>	
22	<i>office space of the Office of the Public Auditor.</i>	
23	(2) Office of the Special Prosecutor	420,622
24	(3) Palau Environment Quality Protection Board (EQPB)	540,000
25	(4) National Postal Service	446,846
26	(5) Palau Visitors Authority	1,098,000
27	(6) National Aviation Administration	292,226
28	Section 7 Total	\$3,629,522

29 **Section 8. Other Agencies and Activities.** The sum of \$1,986,900 is authorized to
30 be appropriated and is hereby appropriated for expenditure or obligation for Fiscal

1 Year 2025 as grants or subsidies for recurring programs and activities. The entire
2 amount of funds authorized and appropriated in this section shall come from local
3 revenues. The total authorization and appropriation shall be allocated according to the
4 following schedule, respectively:

5	(1) Palau National Museum	330,220
6	(2) Micronesian Legal Services	125,000
7	(3) Palau Community Action Agency	550,000

8 *Of these funds, the sum of \$84,000 or so much thereof as may be necessary, is*
9 *earmarked for the apprentice program for the Civic Action Team.*

10	(4) Head Start Program	147,680
11	(5) Palau Red Cross	25,000
12	(6) Civic Action Team Share	250,000
13	(7) Palau Int'l Coral Reef Center	400,000
14	(8) PNOC & Sports Organizations	159,000

15 Section 8 Total \$1,986,900

16 Section 9. Education Assistance. The sum of \$6,958,714 is hereby authorized to
17 be appropriated and is hereby appropriated for expenditure or obligation for Fiscal
18 Year 2025 to subsidize the educational institutions and scholarship program set forth
19 below. The total amount authorized to be appropriated and hereby appropriated in
20 this section shall come from local revenue. The total authorization and appropriation
21 shall be allocated according to the following schedule, respectively:

22	(1) Palau Community College	3,215,594
23	(a) PCC Operations	(2,932,594)
24	(b) PCC Board of Trustees	(38,000)
25	(c) PCC CRE	(35,000)
26	(d) COM Board of Regents	(25,000)
27	(e) PCC Endowment Fund	(75,000)
28	(f) Tuition Assistance to Palauan Students	(60,000)
29	(g) Micro. Voyage Society/PCC Nav. Prog. Support	(50,000)
30	(2) Aid to Non-Public Schools	1,239,310

1	(a) Emmaus – Bethania High School	(215,600)
2	(b) Palau Mission Academy	(215,600)
3	(c) Mindszenty High School	(246,400)
4	(d) Belau Medekngei High School	(149,000)
5	(e) Maris Stella School	(147,840)
6	(f) Koror SDA Elementary School	(147,840)
7	(g) Emmaus Kindergarten	(50,510)
8	(h) SDA Kindergarten	(33,260)
9	(i) Catholic Kindergarten	(33,260)
10	(3) National Scholarship Fund	2,503,810
11	(a) Fall & Spring Semester Scholarships & Grants	(2,388,810)
12	(b) Administrative Expenses	(115,000)
13	Section 9 Total	\$6,958,714

14 **Section 10. Hospital Trust Fund.** The amount of \$1,835,575, or the actual
 15 amount collected, is hereby authorized to be appropriated and is hereby appropriated
 16 for Fiscal Year 2025 for purposes of the Hospital Trust Fund. The amount authorized
 17 to be appropriated and hereby appropriated shall come from the revenues derived
 18 from clinical and public health medical and dental services fees and charges during the
 19 fiscal year, so long as the actual expenditures or obligations do not exceed actual
 20 revenue receipts. Any unexpended or unobligated balance of the appropriation of this
 21 section shall not lapse at the end of the fiscal year.

22 **Section 11. PAN Fund.** The sum of \$1,340,685, or the actual amount collected is
 23 hereby authorized to be appropriated and is hereby appropriated for Fiscal Year 2025
 24 for the purposes of the Protected Areas Network Fund pursuant to 24 PNC § 3413, as
 25 amended. The amount authorized to be appropriated in this section shall come from
 26 the Pristine Paradise Environmental Fee (PPEF) revenue allocation for environmental
 27 protection (“Green Fee”) during the fiscal year. Any unexpended or unobligated
 28 balance of the appropriation of this section shall not lapse at the end of the fiscal year.

29 **Section 12. Road Maintenance Fund.** The amount of \$768,905, or the actual
 30 amount collected, is hereby authorized to be appropriated and is hereby appropriated

1 for Fiscal Year 2025 for purposes of the Road Maintenance Fund to be used for the
2 routine and periodic maintenance of the Compact Road and other national road
3 infrastructure network. The amount authorized to be appropriated and hereby
4 appropriated shall come from the revenues derived from Road Use tax and charges
5 during the fiscal year, so long as the actual expenditures or obligations do not exceed
6 actual revenue receipts. Any unexpended or unobligated balance of the appropriation
7 of this section shall not lapse at the end of the fiscal year.

8 **Section 13. Deposit Beverage Container.** The amount of \$471,201, or the actual
9 amount collected, is hereby authorized to be appropriated and is hereby appropriated
10 for Fiscal Year 2025 for the purposes of the Recycling Fund. The amount authorized
11 to be appropriated and hereby appropriated shall come from fees derived from the
12 deposit of beverage containers pursuant to RPPL 7-24, so long as actual expenditures
13 or obligations do not exceed actual revenue receipts during the fiscal year. Any
14 unexpended or unobligated balance of the appropriation of this section shall not lapse
15 at the end of the fiscal year.

16 **Section 14. National Coordinating Mechanism for NCD.** The amount of
17 \$841,917, or the actual amount collected, is hereby authorized to be appropriated, and
18 the amount of \$800,000 is hereby appropriated for Fiscal Year 2025 for the purposes
19 of the National Coordinating Mechanism for NCD. The amount authorized to be
20 appropriated and that is hereby appropriated shall come from available funding from
21 the 10% allocation of the annual revenues derived from taxes imposed on alcoholic
22 beverages and tobacco during the fiscal year pursuant to RPPL 9-57, as amended. Any
23 unexpended or unobligated balance of the appropriation of this section shall not lapse
24 at the end of the fiscal year. The total appropriation amount shall be allocated
25 according to the following schedule:

26	(1) Small Grant Scheme	125,000
27	(2) Regular Grant Scheme	625,000
28	(3) Administrative Expenses	50,000
29		
	Section 14 Total	\$800,000

1 **Section 15. All Other General Fund Revolving Accounts.** The amount of
2 \$634,806, or the actual amount collected, is hereby authorized to be appropriated and
3 is hereby appropriated for Fiscal Year 2025 for all other special revolving accounts
4 under the General Fund established pursuant to law. The amount authorized to be
5 appropriated and that is hereby appropriated shall come from fees, fines and other
6 charges derived from various activities and programs during the fiscal year, so long as
7 actual expenditures or obligations do not exceed actual revenue receipts. Any
8 unexpended or unobligated balance of the appropriation of this section shall not lapse
9 at the end of the fiscal year.

10 **Section 16. Cyclical Reserve Fund.** The amount of \$1,415,000 is hereby
11 authorized to be appropriated and is hereby appropriated for Fiscal Year 2025 for the
12 purposes of the Cyclical Reserve Fund pursuant to 40 PNC § 330. The total amount
13 authorized to be appropriated and hereby appropriated in this section shall come from
14 local revenue.

15 **Section 17. Climate Resilience Reserve Fund.** The amount of \$708,000 is hereby
16 authorized to be appropriated and is hereby appropriated for Fiscal Year 2025 for the
17 purposes of the Climate Resilience Reserve Fund pursuant to 40 PNC § 331. The total
18 amount authorized to be appropriated and hereby appropriated in this section shall
19 come from local revenue.

20 **Section 18. Infrastructure Maintenance Fund.** The amount of \$1,000,000 is
21 hereby authorized to be appropriated and is hereby appropriated for Fiscal Year 2025
22 for the purpose of matching funds provided by the Government of the United States to
23 the Infrastructure Maintenance Fund established by the 2023 Compact Review
24 Agreement, as amended. The amount authorized to be appropriated and hereby
25 appropriated shall come from the revenues derived from the Road Use tax and prior
26 year balance of the Road Maintenance Fund, so long as actual expenditures or
27 obligations do not exceed the balance available in the Road Maintenance Fund. Any
28 unexpended or unobligated balance of the appropriation of this section shall not lapse
29 at the end of the fiscal year.

1 **Section 19. Debt Service. The sum of \$9,469,671, or the actual amounts for**
2 **interest and principal due and payable, is authorized to be appropriated and is hereby**
3 **appropriated for Fiscal Year 2025 for the purpose of payment of periodic interest and**
4 **principal payments pursuant to the promissory notes under the Asian Development**
5 **Bank (ADB) Water Sector Improvement Program (WSIP) loan for various**
6 **infrastructure and institutional capacity improvement initiatives; and the Asian**
7 **Development Bank Disaster Resilience Program (ADB DRP) loan to finance short-term**
8 **post-disaster financing needs; and the Asian Development Bank Health Expenditure**
9 **and Livelihoods Support (ADB HEALS) loan to finance the severe adverse impact of**
10 **COVID-19 on our economy; and the Asian Development Bank Recovery through**
11 **Improved Systems and Expenditure Support Program (ADB RISES) loan to support**
12 **critical public sector management reforms; and the Mega International loan**
13 **agreement for the purpose of undertaking various improvements to the Palau**
14 **International Airport (ICBC PIA); and the Mega International Commercial Bank loan**
15 **agreement for the purpose of housing development; and the Asian Development Bank**
16 **Strengthening Fiscal Resilience for Sustainable Development Program policy-based**
17 **loan. Of the amount authorized to be appropriated and hereby appropriated in this**
18 **section, \$7,000,000 shall come from the 2023 CRA Debt Consolidation Fund, the**
19 **amount of \$1,340,685 shall come from Green Fee revenues pursuant to 24 PNC § 3413,**
20 **and the amount of \$1,128,986 shall come from local revenues. Any unexpended or**
21 **unobligated balance of the appropriation of this section shall not lapse at the end of the**
22 **fiscal year. The total authorization and appropriation amount shall be allocated to the**
23 **following allocation schedule:**

24	(1) ADB Program Loan (WSIP)	1,962,941
25	(2) ADB DRP Loan Financing	2,056,250
26	(3) ADB HEALS Loan Financing	400,000
27	(4) ADB RISES Loan Financing	2,686,146
28	(5) ICBC PIA Debt Service	236,622
29	(6) Housing Development Loan Project	1,615,712
30	(7) ADB Strengthening Fiscal Resilience	250,000

1	(8) PHA ICBC Loan	262,000
2	Section 19 Total	\$9,469,671

3 **Section 20. Outside Grants and Development Assistance.** All external funds
4 received from development partners and donors, including, but not limited to, the U.S.
5 Federal Program Grants, Japan Grant Aid, Republic of China (Taiwan) grants, other
6 countries, organizations, or individual donors, are hereby authorized to be
7 appropriated and are appropriated for Fiscal Year 2025 in the amounts received for
8 those specific programs or projects for which they are granted, donated, or otherwise
9 contributed. U.S. Federal Program Grants cost recoveries associated with such
10 program grants may be retained for use by the President for such purposes as are
11 needed to implement such programs or projects for which they were granted. The
12 Minister of Finance shall report monthly to the Olbiil Era Kelulau (OEK) the receipt
13 of any outside grant or development assistance in the preceding month. In addition to
14 all other reporting requirements established by law or regulation, the Minister of
15 Finance shall submit quarterly reports to the President and the Olbiil Era Kelulau
16 (OEK) setting forth expenditures and obligations of all funds received from outside
17 sources and expended or obligated pursuant to this section.

18 **Section 21. Reprogramming.** The President shall have the authority to
19 reprogram funds in Sections 2, 5 and 7 in the Fiscal Year 2025 Budget Act in
20 accordance with 40 PNC § 351.

21 **Section 22. PPUC Automatic Fuel Price Adjustment Clause, Water and**
22 **Wastewater Subsidy, and Lifeline Subsidy Program.** The sum of \$2,910,000 is hereby
23 authorized to be appropriated and is hereby appropriated for expenditure or
24 obligation for Fiscal Year 2025 for the purpose of covering the Automatic Fuel Price
25 Adjustment Clause (AFPAC), the Water and Wastewater Subsidy, and the Lifeline
26 Subsidy Program of the Palau Public Utilities Corporation (PPUC). The entire amount
27 authorized to be appropriated in this section shall come from local revenues. Any
28 unexpended or unobligated balance of the appropriation of this section shall not lapse
29 at the end of the fiscal year.

30	(a) Residential Water and Wastewater	960,000
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1 *Of the total amount appropriated in this section, \$960,000 shall be*
2 *appropriated for the PPUC Residential Water and Wastewater Subsidy to*
3 *offset the rate for all residential customers, \$0.00672 per gallon of water*
4 *used and \$0.00931 per gallon of wastewater used, for up to 2500 gallons of*
5 *water and 2500 gallons of wastewater per customer per month. The PPUC*
6 *shall reduce each customer's bill by the amount of the offset applied to such*
7 *customer and show on each customer's bill the amount of the offset applied*
8 *to such customer.*

9 (b) Lifeline Subsidy Program 250,000

10 *Of the total amount appropriated in this section, \$250,000 shall be*
11 *appropriated for the PPUC Lifeline Subsidy Program in Section 32 of RPPL*
12 *11-12.*

13 (c) Residential Electricity 1,700,000

14 *To offset \$0.10 per kWh of the AFPAC rate up to 500 kWh per month for*
15 *residential customers. The PPUC shall reduce each customer's AFPAC Rate*
16 *by \$0.10 and show on each customer's bill the amount of the offset applied*
17 *to such customer.*

18 Section 22 Total \$2,910,000

19 Section 23. Supplemental SSA Benefit Payments. A sum of \$2,000,000 is
20 authorized to be appropriated and is hereby appropriated for expenditure or
21 obligation for Fiscal Year 2025 to the Social Security Administration for the purpose
22 of funding the continuation of the fifty-dollar (\$50) per month supplemental Social
23 Security benefit payment for old age insurance and disability as outlined in RPPL 11-
24 12, Section 21(a). This benefit is for individuals who are citizens of the Republic of
25 Palau, Federated States of Micronesia, or the United States of America, and who have
26 been permanently domiciled continuously in the Republic of Palau for at least six (6)
27 months immediately prior to receiving any benefit. Such funds may be expended for
28 the purpose of funding the increase to the minimum amount of the basic benefit,
29 pursuant to Section 10 of RPPL 11-32. The entire amount authorized and appropriated
30 in this section shall come from local revenues.

1 **Section 24. Medical Referral Housing.** The amount of \$3,000,000 is authorized
2 to be appropriated and is hereby appropriated for expenditure or obligation for Fiscal
3 Year 2025 to the Ministry of Health and Human Services for the purpose of purchasing
4 a new patient services building in Honolulu, Hawaii. Of the amount authorized to be
5 appropriated and appropriated in this Section, \$1,140,000 shall come from the Cyclical
6 Reserve Fund and \$1,860,000 shall come from local revenues.

7 **Section 25. Compact Review Advisory Group.** The amount of \$400,000 is
8 authorized to be appropriated and is hereby appropriated for expenditure or
9 obligation for Fiscal Year 2025 to provide funding support for the ongoing work and
10 activities, including lobbyist and consultation work, of the Compact Review Advisory
11 Group as established by Executive Order No. 447. The entire amount authorized and
12 appropriated in this section shall come from local revenues and be non-lapsing. This
13 section shall be exempt from the competitive procurement requirements of Chapter 6
14 of Title 40 of the Palau National Code.

15 **Section 26. Palau Housing Authority Housing Program.** The sum of \$500,000 is
16 authorized to be appropriated and is hereby appropriated for expenditure or
17 obligation for Fiscal Year 2025 to provide funding for housing programs under the
18 authority of the Palau Housing Authority. The entire amount authorized to be
19 appropriated and that is hereby appropriated in this section shall come from local
20 revenues.

21 **Section 27. 2025 Pacific Mini Games Hosting.** The sum of \$1,400,000 is
22 authorized to be appropriated and the amount of \$1,200,000 is hereby appropriated
23 for expenditure or obligation for Fiscal Year 2025, to the 2025 Pacific Mini Games
24 Organizing Committee, to provide funding for the Republic's hosting of the 2025
25 Pacific Mini Games, to be held from June 29 - July 09, 2025. The entire amount
26 authorized and appropriated in this section shall come from local revenues. This
27 section shall be exempt from the competitive procurement requirements of Chapter 6
28 of Title 40 of the Palau National Code.

29 **Section 28. Retired Citizens and Disabled Citizens Assistance.** The sum of
30 \$1,400,000 is hereby authorized to be appropriated to the Ministry of Finance for

1 expenditure or obligation for Fiscal Year 2025 as social assistance of \$480 per
2 individual retired citizen at or over the age of 60 residing in the Republic of Palau with
3 no employment earnings and per individual receiving the disability insurance benefit
4 under the Section 754 of Title 41 of the Palau National Code with no employment
5 earnings.

6 **Section 29. Asian Development Bank Koror-Airai Sanitation Project Loans.**

7 The sum of \$3,000,000 is authorized for appropriation and is hereby appropriated for
8 Fiscal Year 2025 for the purpose of payment of the Asian Development Bank Koror-
9 Airai Sanitation Project Loans. The entire amount authorized to be appropriated and
10 appropriated in this section shall come from the Compact Review Agreement Debt
11 Consolidation Fund.

12 **Section 30. Amendment.** Section 2 of RPPL 11-31, as amended by RPPL 11-34,
13 is hereby further amended to read as follows:

14 "...

15 **(9) Ministry of Health & Human Services**

16 **(g) Hospital Equipment (replace, repair, upgrade) 2,588,743**

17 *The amount of \$2,588,743 is hereby authorized for appropriation and is*
18 *hereby appropriated to purchase and install patient-critical medical and*
19 *surgical equipment for the Belau National Hospital, and shall lapse on*
20 *September 30, 2025. Of this amount, up to \$281,000 may be used for sole*
21 *source procurements that may, notwithstanding 40 PNC § 627, exceed*
22 *\$20,000 in total value. Said procurements shall comply with all*
23 *requirements of procurement law, except for the \$20,000 limit imposed*
24 *by 40 PNC § 626.*

25 "..."

26 **Section 31. Amendment.** Section 40 of RPPL 11-31, as amended, is hereby
27 amended to read as follows:

28 "Section 40. National Development Bank of Palau Loan Restructuring for
29 COVID-19 Impact on Small and Medium Enterprises.

1 **(a) The sum of \$600,000 is hereby authorized to be appropriated and is hereby**
2 **appropriated for expenditure or obligation to the National Development Bank of Palau**
3 **for Fiscal Year 2024 for the purposes of retiring 75% of all amounts attributable to**
4 **interest and penalties accumulated in the calendar years 2020, 2021, 2022, and 2023, as**
5 **set forth in Section 195 of Title 26 of the Palau National Code, as added by this section.**
6 **The entire amount authorized to be appropriated and appropriated in this section shall**
7 **come from local revenues. Any unexpended or unobligated balance of the**
8 **appropriation in this section shall not lapse at the end of fiscal year.**

9 **“(b) Amendment Title 26 of the Palau National Code is amended to include a**
10 **new**

11 **Section 195 as follows:**

12 **“§ 195. Commercial Loan Restructuring for COVID Impacted Loans.**

13 **(a) Because many small and medium commercial enterprises with loans from**
14 **the National Development Bank of Palau have been severely impacted by the**
15 **unforeseeable COVID 19-Pandemic, and to provide these small and medium**
16 **commercial enterprises an opportunity to recover and grow their businesses, the Bank**
17 **shall retire 75% of all amounts attributable to interest and penalties accumulated**
18 **because of interest and late payment penalties for commercial loans, entered into by**
19 **small and medium commercial enterprises, severely impacted by the COVID-19**
20 **Pandemic incurred during Calendar Years 2020, 2021, 2022, and 2023. The Bank shall**
21 **also, with the consent of the loan recipient, refinance all such loans using such payment**
22 **terms, conditions, and long-term schedules as are affordable for loan recipients and as**
23 **will support recovery of those loan recipients from the economic effects of the COVID-**
24 **19 Pandemic.**

25 **(b) Within this Section, the following terms shall have specific meaning as**
26 **follows:**

27 **(i) “Retire” shall mean that the Bank shall eliminate, from a customer’s**
28 **outstanding loan balance, 75% of all amounts attributable to interest and**
29 **penalties accumulated because of interest and nonpayment or late payment**
30 **penalties for commercial loans incurred during Calendar Years 2020, 2021,**

1 **2022, and 2023. To the extent interest and penalties have already been paid,**
2 **the Bank shall deduct the amounts paid from the remaining balance of the**
3 **loan. In the event any such loan has already been restructured, refinanced,**
4 **or otherwise renegotiated or consolidated, the Bank shall, with the consent**
5 **of the loan recipient, agree to unwind such restructuring or consolidation,**
6 **and then retire all balance attributable to interest or penalties.**

7 **(ii) “Small and medium commercial enterprises” shall mean businesses,**
8 **including but not limited to sole proprietorships, small contractors, and self-**
9 **employed persons that had outstanding loan balances at the Bank as of**
10 **December 31, 2019, with original principals of less than \$600,000 in total,**
11 **with a primary source of revenue in the tourism sector, and directly engaged**
12 **in enterprises protected for Palauan citizens by 28 PNC § 105(b).**

13 **(iii) “Nonpayment or late payment penalties” shall mean penalties or**
14 **negative consequences incurred because a customer did not make full**
15 **payment on the balance of a loan during Calendar Years 2020, 2021, 2022,**
16 **and 2023.**

17 **(iv) “Commercial loans” for the purpose of this section shall mean loans**
18 **issued by the National Development Bank of Palau for commercial purposes,**
19 **including activities protected for Palauan citizens by 28 PNC § 105(b).**
20 **“Commercial loans” shall include only those loans that had outstanding**
21 **balances as of January 1, 2023.**

22 **(v) “Severely impacted” shall mean that the borrower was a business**
23 **engaged in one of the commercial activities directly generating revenue from**
24 **the tourism sector and protected pursuant to 28 PNC § 105(b).**

25 **(c) The Bank shall promulgate regulations and forms as necessary to implement**
26 **this Section. This Section shall be interpreted liberally to accomplish the purposes set**
27 **forth in this Section.**

28 **(d) The Bank shall not discriminate against, or otherwise negatively impact the**
29 **credit rating of, any loan recipient by reason of that recipient having defaulted on a**

1 loan affected by this Section, or by reason of that recipient utilizing the provisions of
2 this Section.

3 (e) The Bank shall report to the President of the Senate and Speaker of the
4 House of Delegates, quarterly, on the implementation of this Section, the number of
5 affected loans, and on the amounts written down.”

6 Section 32. Amendment. Section 1526 of Title 23 of the Palau National Code is
7 hereby amended to read as follows:

8 “§ 1526. Voting at another polling place within the Republic; polling places
9 outside the Republic.

10 In accordance with the rules and regulations promulgated by the Election
11 Commission, a voter shall have the right to vote on election day at a polling place other
12 than the polling place in the political jurisdiction of which he is a resident; provided,
13 that the rules and regulations shall require no more than three calendar days’ notice
14 immediately preceding the day of the election. For each election, the Election
15 Commission shall specifically provide that each voter may vote either in their state of
16 residency, or at a central polling place located in Koror or located in another place
17 designated by the Election Commission. The Election Commission shall specifically
18 provide for voting at polling places elsewhere in the Republic. The Election
19 Commission may not establish polling places outside of the Republic.”

20 Section 33. Appropriation for January 2025 Inauguration. The sum of \$100,000
21 is authorized for appropriation and is hereby appropriated for expenditure or
22 obligation to the Office of the President, to fund the activities and programs related to
23 the January 2025 inauguration and transition of government. The entire amount
24 authorized to be appropriated and hereby appropriated in this section shall come from
25 local revenues.

26 Section 34. Amendment. Sections 3301 and 3302 of Title 34 of the Palau National
27 Code are hereby amended as follows:

28 “§ 3301. Trafficking.

29 (a) Except as authorized by this division, it shall be unlawful for any person
30 knowingly or intentionally:

1 (1) ...

2 ...

3 (b) Any person who violates subsection (a) with respect to:

4 (1) ...

5 ...

6 (5) fentanyl, methamphetamine, as defined in 34 PNC § 3106(c)(2),
7 heroin, cocaine, as defined in 34 PNC § 3106(a)(4), lysergic acid diethylamide
8 (“LSD”), morphine, or other Schedule I or II opiate or opium derivative as set
9 forth in 34 PNC § 3104 and 3106, shall be sentenced to a term of imprisonment
10 of not less than twenty-five (25) years but not more than fifty (50) years, and a
11 fine of not less than fifty thousand dollars (\$50,000) but not more than one
12 million dollars (\$1,000,000). Notwithstanding any other provision of law, a
13 person sentenced to imprisonment under this subsection shall not be eligible for
14 any work-release program.

15 ...

16 (d) Any person who attempts to import into the Republic or to manufacture
17 fentanyl, methamphetamine, heroin, cocaine, LSD, morphine, or other Schedule I or
18 II opiate or opium derivative as set forth in 34 PNC § 3104 and 3106, shall be sentenced
19 to a term of imprisonment of not less than twenty-five (25) years but not more than
20 fifty (50) years, and a fine of not less than fifty thousand dollars (\$50,000) but not more
21 than one million dollars (\$1,000,000).

22 ...

23 § 3302. Possession.

24 (a) ...

25 ...

26 (d) Notwithstanding any other provision of law, any person who violates
27 subsection (a) with respect to fentanyl, methamphetamine, as defined in 34 PNC §
28 3106(c)(2), heroin, cocaine, as defined in 34 PNC § 3106(a)(4), lysergic acid
29 diethylamide (“LSD”), morphine, or other Schedule I or II opiate or opium derivative
30 as set forth in 34 PNC § 3104 and 3106, shall be penalized as follows:

1 (1) Any person who possesses one gram or less shall be sentenced on first
2 conviction to a term of imprisonment of five (5) years and fined not less than ten
3 thousand dollars (\$10,000). On subsequent conviction for a violation of
4 subsection (a) with respect to fentanyl, methamphetamine, as defined in 34 PNC
5 § 3106(c)(2), heroin, cocaine, as defined in 34 PNC § 3106(a)(4), lysergic acid
6 diethylamide (“LSD”), morphine, or other Schedule I or II opiate or opium
7 derivative as set forth in 34 PNC § 3104 and 3106, the person shall be sentenced
8 to a term of imprisonment of not less than five (5) years and not more than ten
9 (10) years, a fine of not less than ten thousand dollars (\$10,000), or both.

10 (2) ...

11 ...

12 (e) Any person convicted of a violation of subsection (a) with respect to fentanyl,
13 methamphetamine, as defined in 34 PNC § 3106(c)(2), heroin, cocaine, as defined in 34
14 PNC § 3106(a)(4), lysergic acid diethylamide (“LSD”), morphine, or other Schedule I
15 or II opiate or opium derivative as set forth in 34 PNC § 3104 and 3106, shall not be
16 eligible for parole on any subsequent conviction for violation of subsection (a) with
17 respect to fentanyl, methamphetamine, as defined in 34 PNC § 3106(c)(2), heroin,
18 cocaine, as defined in 34 PNC § 3106(a)(4), lysergic acid diethylamide (“LSD”),
19 morphine, or other Schedule I or II opiate or opium derivative as set forth in 34 PNC
20 § 3104 and 3106.

21 (f) ...”

22 Section 35. Marine Transport Expenses. The sum of \$150,000 is hereby
23 authorized to be appropriated and is hereby appropriated for expenditure or
24 obligation for Fiscal Year 2025 for the purpose of marine transportation expenses.
25 Notwithstanding any limitation in 40 PNC § 1404(b) or any other law, the entire
26 amount of the funds authorized and appropriated in this section shall come from the
27 cyclical reserve fund. The total appropriation in this section shall be allocated
28 according to the following schedule:

29 (1) Angaur State Government	\$50,000
30 (2) Kayangel State Government	\$50,000

1 **(3) Peleliu State Government** **\$50,000**

2 **Section 36. Aimeliik State Government.** The sum of \$200,000 is hereby
3 authorized to be appropriated and is hereby appropriated to Aimeliik State
4 Government for expenditure or obligation for Fiscal Year 2025 for the purposes of
5 building an access road to the Tebadel Subdivision II right across Sechersoi. The entire
6 amount of the funds authorized and appropriated in this section shall come from the
7 cyclical reserve fund.

8 **Section 37. Airai State Government.** The sum of \$100,000 is hereby authorized
9 to be appropriated and is hereby appropriated to Airai State Government for
10 expenditure or obligation for Fiscal Year 2025 for the purpose of extending Kesebelau
11 road. The entire amount of the funds authorized and appropriated in this section shall
12 come from the cyclical reserve fund.

13 **Section 38. Angaur State Government.** The sum of \$35,000 is hereby authorized
14 to be appropriated and is hereby appropriated to Angaur State Government for
15 expenditure of obligation for Fiscal Year 2025 for the purposes of purchasing a mobile
16 lawn tractor. The entire amount of the funds authorized and appropriated in this
17 section shall come from the cyclical reserve fund.

18 **Section 39. Hatohobei State Government.** The sum of \$23,000 is hereby
19 authorized to be appropriated and is hereby appropriated to Hatohobei State
20 Government for the purchase of a Hybrid-tied solar PV system. The entire amount of
21 the funds authorized and appropriated in this section shall come from the cyclical
22 reserve fund.

23 **Section 40. Kayangel State Government.** The sum of \$40,000 is hereby
24 authorized to be appropriated and is hereby appropriated to Kayangel State
25 Government for expenditure or obligation for Fiscal Year 2025 for purposes of youth
26 programs and renovating the Kayangel Youth Center. The entire amount of the funds
27 authorized and appropriated in this section shall come from the cyclical reserve fund.

28 **Section 41. Koror State Government.** The sum of \$250,000 is hereby authorized
29 to be appropriated and is hereby appropriated to Koror State for expenditure or
30 obligation for Fiscal Year 2025 for the purposes of solid waste management operations,

1 M-dock rehabilitation, tire shredding facility, collection trucks, and collection
2 maintenance. The entire amount of the funds authorized and appropriated in this
3 section shall come from the cyclical reserve fund.

4 Section 42. Melekeok State Government. The sum of \$50,000 is hereby
5 authorized to be appropriated and is hereby appropriated to Melekeok State for
6 expenditure or obligation for Fiscal Year 2025 for the purposes of a vehicle for the
7 Melekeok State Public Lands Authority, upgrading the operational infrastructure of
8 the Melekeok State Public Lands Authority, road construction and maintenance,
9 sewage systems upgrades and maintenance, energy-efficient street lights, and public
10 works fuel, petroleum, oil, and lubricants costs. The entire amount of the funds
11 authorized and appropriated in this section shall come from the cyclical reserve fund.

12 Section 43. Ngaraard State Government. The sum of \$378,550 is hereby
13 authorized to be appropriated and is hereby appropriated to Ngaraard State for
14 expenditure or obligation for Fiscal Year 2025 for the purposes of the Ngkeklau
15 waterline project. The entire amount of the funds authorized and appropriated in this
16 section shall come from the cyclical reserve fund.

17 Section 44. Ngarchelong State Government. The sum of \$40,000 is hereby
18 authorized to be appropriated and is hereby appropriated to Ngarchelong State
19 Government for expenditure or obligation for Fiscal Year 2025 for the purpose of
20 maintenance and improvements to the Molengmes Fishing Cooperative and for the
21 purpose of hosting the Mechesil and Rubekul Ngarchelong Forum. The entire amount
22 of the funds authorized and appropriated in this section shall come from the cyclical
23 reserve fund.

24 Section 45. Ngeremlengui State Government. The sum of \$35,000 is hereby
25 authorized to be appropriated and is hereby appropriated to Ngeremlengui State
26 Government for expenditure or obligation for Fiscal Year 2025 for the purposes of
27 rehabilitating the Ngeremlengui Fish Market and Gas Station. The entire amount of
28 the funds authorized and appropriated in this section shall come from the cyclical
29 reserve fund.

1 **Section 46. Ngatpang State Government.** The sum of \$50,000 is hereby
2 authorized to be appropriated and is hereby appropriated to Ngatpang State
3 Government for expenditure or obligation for Fiscal Year 2025 for the purposes of
4 completion and implementation of the Ngatpang State Master Plan. The entire amount
5 of the funds authorized and appropriated in this section shall come from the cyclical
6 reserve.

7 **Section 47. Ngchesar State Government.** The sum of \$50,000 is hereby
8 authorized to be appropriated and is hereby appropriated to Ngchesar State
9 Government for expenditure or obligation for Fiscal Year 2025 for the purposes of
10 funding the Ngchesar Public Land Authority. The entire amount of the funds
11 authorized and appropriated in this section shall come from the cyclical reserve fund.

12 **Section 48. Ngiwal State Government.** The sum of \$90,000 is hereby authorized
13 to be appropriated and is hereby appropriated to Ngiwal State Government for
14 expenditure or obligation for Fiscal Year 2025 for the purposes of capital
15 improvements to the Imekang Port. The entire amount of the funds authorized and
16 appropriated in this section shall come from the cyclical reserve fund.

17 **Section 49. Peleliu State Government.** The sum of \$60,000 is hereby authorized
18 to be appropriated and is hereby appropriated to Peleliu State Government for
19 expenditure or obligation for Fiscal Year 2025 for the purposes of maintenance costs
20 for the Peleliu State Boat and to construct a new boat ramp for the Elochel (North)
21 Dock. The entire amount of the funds authorized and appropriated in this section shall
22 come from the cyclical reserve fund.

23 **Section 50. Sonsorol State Government.** The sum of \$15,000 is hereby
24 authorized to be appropriated and is hereby appropriated to Sonsorol State
25 Government for expenditure or obligation for Fiscal Year 2025 for the purposes of
26 expenses relating to the Sonsorol State Constitutional Convention. The entire amount
27 of the funds authorized and appropriated in this section shall come from the cyclical
28 reserve fund.

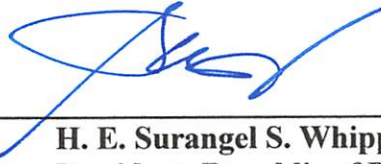
29 **Section 51. Severability.** If any provision of this Act is found to be invalid or
30 unconstitutional by a court of competent jurisdiction, then the offending parts or

1 portions may be severed from the rest of the bill and the remaining parts or portions
2 shall continue in full force and effect.

3 Section 52. Effective date. This Act shall take effect upon its approval by the
4 President of the Republic of Palau, or upon its becoming law without such approval.

Passed on: September 23, 2024

Approved this 30th day of September, 2024.



H. E. Surangel S. Whipps, Jr.
President, Republic of Palau