RPPL NO. 10-02

TENTH OLBIIL ERA KELULAU

FIRST SPECIAL SESSION

MARCH 2017

HOUSE BILL NO. 10-22-1, HD1, SD2, PD1

A BILL FOR AN ACT

SEE TITLE INSIDE

OFFERED BY DELEGATE(S) Speaker Sabino Anastacio

_____ ET AL,

DATE INTRODUCED February 15, 2017

HOUSE ACTION

FIRST READING:	February 15, 2017
REFERRED TO:	Ways and Means
STANDING COMMITTEE REPORT NO:	10-7
DATE ADOPTED:	March 07, 2017
SECOND READING:	March 07, 2017
LEGAL FORMAT:	Proper
REVIEW:	March 07, 2017
THIRD READING:	March 09, 2017
FINAL ACTION:	March 27, 2017

SENATE ACTION

FIRST READING:	March 13, 2017
REFERRED TO:	Ways and Means
STANDING COMMITTEE REPORT NO:	10-16
DATE ADOPTED:	March 21, 2017
SECOND READING:	March 21, 2017
LEGAL FORMAT:	Proper
REVIEW:	March 22, 2017
THIRD READING:	March 22, 2017
FINAL ACTION:	March 27, 2017

CONFERENCE COMMITTEE ACTION

DATE:	None
COMMITTEE REPORT:	None
DATE PASSED:	None

Marcello Ngirkelau
Acting HOUSE CLERK

Ann L. Pedro
SENATE CLERK

TENTH OLBIIL ERA KELULAU

First Regular Session, January 2017

RPPL No. 10-02
(Passed as House Bill No. 10-22-1, HD1, SD2, PD1)

AN ACT

To amend RPPL No. 9-49 and Titles 27 and 24 of the Palau National Code to rename the Environmental Impact Fee the Pristine Paradise Environmental Fee, provide additional time for its implementation, and for other related purposes.

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

Section 1. Legislative Findings. The Olbiil Era Kelulau finds that tourism has continued to decline from its height in 2015 and the Republic must address potential impediments to the tourism industry. One recent policy that may affect tourism is the impending increase in costs to tourists as a result of the creation of an Environmental Impact Fee. The Palau National Marine Sanctuary Act created the Environmental Impact Fee, and beginning April 1, 2017 the departing cost for tourists will increase from $50.00 to $100.00. The Olbiil Era Kelulau finds that at this time it is prudent to rename the Environmental Impact Fee the Pristine Paradise Environmental Fee, postpone its implementation, and maintain the current departing fee amount in an effort to remove any impediment to tourism.

Section 2. Repealer. Sections 5, 7, and 8 of RPPL No. 9-49 are hereby repealed.

Section 3. Amendment. Section 192 of Title 27 is hereby amended as follows:

"§ 192. Fisheries Protection Trust Fund.

(a) There is established within the National Treasury a separate, interest-bearing revolving fund known as the Fisheries Protection Trust Fund ("Trust Fund"). These funds do not lapse at the end of the fiscal year.

(b) The purpose of the Trust Fund is to fund surveillance, enforcement and training for surveillance and enforcement of the laws related to the Palau National Marine Sanctuary and Title 27, and Chapters 2 and 3 of Title 7, to fund the administration of those actions related to Palau National Marine Sanctuary in Titles 7 and 27, and to promote eco-tourism.

(c) Funds within the Trust Fund may not be disbursed without being first authorized and appropriated by the Olbiil Era Kelulau.

(d) All of the following are deposited in the Trust Fund:

(1) fines collected pursuant to Chapters 2 and 3 of Title 7;

(2) all fines and civil penalties collected pursuant to sections 182 and 183 of Title 27;

(3) proceeds of sale of all forfeitures pursuant to section 184 of Title 27 and section 207 of Title 7; and

(4) a portion of the Pristine Paradise Environmental Fee, as set out in Chapter 27 of Title 40.

…"

Section 4. Amendment. Title 40 of the Palau National Code is amended by adding a new Chapter 27 to state as follows:

"Chapter 27

Pristine Paradise Environmental Fee

§ 2701. Purpose. The purpose of this chapter is to establish the Pristine Paradise Environmental Fee.

§ 2702. Definitions. In this chapter:

(a) "International Travel" means travel by air or sea from the Republic of Palau.

(b) "Passenger" means a person who undertakes international travel.

(c) "Transit passenger" means a passenger who has arrived in the Republic of Palau and will depart the Republic of Palau:

(1) Within 24 hours of that arrival; or

(2) After 24 hours due to circumstances beyond the passenger's control.

§ 2703. Imposition of Pristine Paradise Environmental Fee. Every passenger, 13 years or older, shall pay a Pristine Paradise Environmental Fee of one hundred dollars ($100) for each international departure from the Republic of Palau, but will not be required to pay such Pristine Paradise Environmental Fee more than once in any thirty-day period.

§ 2704. Exemptions from Pristine Paradise Environmental Fee.

(a) The following categories of people shall be exempt from the Pristine

Paradise Environmental Fee:

(1) Palauan citizens;

(2) Spouses of Palauan citizens;

(3) Pilots and other crew members of any aircraft lawfully operating as a common carrier;

(4) Diplomats carrying a diplomatic passport;

(5) Individuals in possession of a valid Republic of Palau work visa; and

(6) Transit passengers.

(b) The Minister of Finance shall have the authority to designate further exemptions from the Pristine Paradise Environmental Fee through regulation.

§ 2705. Regulations. The Minister of Finance shall promulgate regulations which include:

(a) Providing for the administration of this chapter; and

(b) Amending the amount of the Pristine Paradise Environmental Fee to be paid by a passenger.

§ 2706. Allocation of Pristine Paradise Environmental Fee. Of the Pristine Paradise Environmental Fee paid by each passenger:

(a) Ten dollars ($10.00) shall be allocated to the Fisheries Protection Trust Fund pursuant to 27 PNC § 192;

(b) Twelve dollars and fifty cents ($12.50) shall be divided among the states as follows: 70% of such funds shall be divided among the states in equal shares, and the remaining 30% shall be apportioned among the states according to population;

(c) Twenty-five dollars ($25.00) shall be deposited in the National Treasury, earmarked and appropriated to relevant agencies for purposes related to the security, operation, maintenance, and improvement of the Palau International Airport; provided that all funds from local revenue or other sources that otherwise would have been appropriated for these purposes shall be appropriated to the Civil Service Pension Fund;

(d) Thirty dollars ($30.00) shall be earmarked as a "Green Fee" pursuant to 24 PNC § 3413 and shall be allocated and appropriated in accordance with that provision as if fully stated herein; and

(e) Twenty-two dollars and fifty cents ($22.50) shall revert to the National Treasury.

§ 2707. Implementation.

The Pristine Paradise Environmental Fee will be implemented and begin being collected upon promulgation of all rules and regulations necessary for the collection of the Pristine Paradise Environmental Fee through its inclusion in the price of airline tickets, or another mechanism which would collect the Pristine Paradise Environmental Fee upon visitors' entry into the Republic. Such rules and regulations shall be promulgated by the Minister of Finance.

§ 2708. Transition.

The departure tax set forth under 40 PNC § 1403 shall cease to have effect and shall be repealed upon the assessment of the Pristine Paradise Environmental Fee except that any other allocation or appropriation of the departure tax set forth under 40 PNC § 1403 shall now be applied to § 2706(e) as if fully stated herein."

Section 5. Amendment. 24 PNC § 3413, as amended by Section 9 of RPPL No. 9-49, is hereby amended to read as follows:

"§ 3413. Environmental Protection Fee ("Green Fee").

(a) Every non-Palauan passport holder departing from the Republic shall be assessed, and shall pay, an environmental protection departure fee (the "Green Fee") of thirty dollars ($30) upon departure; provided that persons traveling on a passport issued by the Republic of Palau, diplomats, transiting passengers, and masters, pilots, and other crew members of any vessel or aircraft lawfully operating as a common carrier, are exempt from assessment and payment under this section. The money generated from collection of the green fee shall be deposited into two separate accounts within the National Treasury that shall be separate and distinct from all other accounts as set forth in subsection (c) below. Nothing in this Act shall preclude the states from collecting tourist and visitor fees

for visiting or using state resources and sites, including Protected Areas Network ("PAN") sites.

Section 6. Effective Date. This Act will take effect upon its approval by the President of the Republic of Palau, or upon becoming law without such approval.

PASSED: March 27, 2017

Approved this 29th **day of** March **, 2017**

~~H. E.~~ Tommy E. Remengesau, Jr.
President of the Republic of Palau