

National Tourism Regulations of the Republic of Palau

Part II: Regulation Governing the Boat Owners Association for Tourism (BOAT).

Section 101: Short Title.

This regulation may be cited as the Boat Owners Association Regulation.

Section 102: Effective Date.

The Regulation Governing the Boat Owners Association for Tourism shall take effect thirty (30) days after approval by the President of the Republic of Palau, in accordance with Palau National Code, Title 6, §127.

Section 103: Authority.

This regulation is promulgated by the Bureau of Tourism pursuant to the authority granted it by 2 PNCA §121 and at the direction of the President as stated in Executive Order No. 391.

Section 104: Application.

Part II of the National Tourism Regulations applies to all owners of Boats that are used to transport Tourists on Commercial Tours within the Republic of Palau.

Section 105: Purpose.

The purpose of this regulation is to improve the experience visitors have in the Republic of Palau when they are transported on Boats during Commercial Tours. This goal aligns with the Bureau of Tourism's mandate to regulate tourism services and develop and implement a code of practice for the tourism sector. The Boat Owners Association for Tourism will fulfill this purpose by serving as a forum to share information, develop standards, promote safety, ensure compliance with the law, and reach agreement on how to address issues of common concern. The benefit of creating an Association to regulate this important Tourist service is that

it will be responsive to new developments and its decisions will emanate directly from Boat owners who will be guided by the priorities of the Responsible Tourism Policy Framework and the national government.

Section 106: Definitions.

(a) The following definitions of terms shall apply to these regulations:

- (1) “Association” – means the Boat Owners Association for Tourism.
- (2) “Boat” – means all motorized craft capable of being used as a means of transportation on water, excluding Personal Watercraft, kayaks, canoes, standup paddle boards, and other means of human-powered water craft.
- (3) “BOAT” – means the Boat Owners Association for Tourism.
- (4) “Board” – means BOAT’s board of directors.
- (5) “Boat Operator” – means any person who operates a Boat used to carry Tourists on a Commercial Tour.
- (6) “Commercial Tour” – means any trip, excursion, or tour to any site within the Republic that is done in exchange for compensation of any type, or offered as part of a package tour, and provided by a tour operator.
- (7) “Director” – means the Director of the Bureau of Tourism or their designee.
- (8) “General Membership” – means members of BOAT who are not members of the Board.
- (9) “Membership” – means General Membership.
- (10) “Minister” – means the Minister of the Ministry of Natural Resources, Environment, and Tourism or their designee.
- (11) “Republic” – means Republic of Palau.

- (12) “Tourist” – means any customer of a tour operator who takes a Commercial Tour and is not a citizen, resident, or holder of a valid work permit in the Republic of Palau.

Section 107: Creation.

This regulation hereby establishes the Boat Owners Association for Tourism (BOAT) as part of the Bureau of Tourism. BOAT is a government Association comprised of individuals who own Boats that are engaged in tourism and that is dedicated to fulfilling the purposes stated in this regulation.

Section 108: Membership.

- (a) Membership in BOAT shall be mandatory for all individuals who own Boats used to carry Tourists on Commercial Tours within the Republic of Palau. If a Boat owner is not a member of BOAT, they are not permitted to use their Boat(s) or allow their Boat(s) to be used to take Tourists on Commercial Tours within the Republic.
- (b) In order to become a member of BOAT, Boat owners must apply to obtain a membership card from the Board.
- (1) To obtain a membership card, each applicant must provide evidence satisfactory to the Board that proves they purchased their Boat and are the current owner of it.
- (2) Additional requirements for obtaining a membership card may be included in BOAT’s bylaws.
- (c) Each member of BOAT is responsible for ensuring that any time their Boat is being used to conduct a Commercial Tour, the operator of their Boat is in possession of the membership card associated with the Boat they are operating.

Section 109: Appointment and Election of the Board of Directors.

- (a) The Board shall consist of seven (7) voting members, including the Minister and the Director. The Minister will have the authority to appoint two (2) board members of his or her choice. The remaining three (3) members of the

Board shall be elected by the Membership in accordance with BOAT's bylaws.

- (b) Apart from the Minister, the Director, and the two board members appointed by the Minister, who are not subject to term limits, all other members of the Board shall serve three-year terms and be eligible for reelection.
- (c) A vacancy on the Board shall be filled in accordance with the manner in which the board member was selected in the first place. If a vacancy is left by a board member who was elected, the Minister may appoint someone to temporarily fill the vacancy until it is practicable to hold an election for the position. If for any reason a vacancy cannot be filled by the Minister, it shall be filled in accordance with BOAT's bylaws.
- (d) All elected and appointed members of the Board may be removed at any time for neglect of duty, misconduct, disability, or for any other reason, upon a majority vote of the other members of the Board.
- (e) It shall be prohibited for non-citizens of the Republic to serve on the Board.
- (f) Where not specifically addressed in this regulation, all other provisions for and situations concerning the removal, resignation, or replacement of a board member shall be governed by BOAT's bylaws.

Section 110: Officers of the Board.

- (a) The Board shall have the following officers:
 - (1) Chairperson.
 - (i) The chairperson shall be the Minister.
 - (ii) During any period of time in which the Minister is unable to serve as or wishes to temporarily step down from the position of chairperson, the vice-chairperson shall serve as chairperson.
 - (iii) The chairperson shall preside over all meetings and shall be given the necessary authority to be held responsible for the administration of the Board in all its activities.
 - (iv) If the Board determines through a majority vote that it would like to create board positions or expand the number of board

members, it shall have the authority to do so. These changes shall be reflected in the bylaws.

(2) Vice-chairperson.

- (i) The vice-chairperson shall be the Director of the Bureau of Tourism.
- (ii) In the absence of the chairperson during a board meeting, the vice-chairperson will serve as the chairperson.
- (iii) The role of the vice-chairperson shall be elaborated in the bylaws, but it must include the responsibilities generally granted to a secretary of a board of directors.

(3) Any duties or responsibilities of the Board's officers that have not been described in this regulation may be addressed in BOAT's bylaws.

Section 111: Meetings.

(a) BOAT shall convene at least two meetings each year with both the General Membership and the Board in attendance. To ensure that the meetings are productive and the Association's decisions reflect the views of its Membership, attendance for these two annual meetings shall be mandatory.

(1) Any rules related to absences and the use of proxies by the Board and the Membership at these two annual meetings, as well as any other meetings that may be held, will be addressed in BOAT's bylaws.

(b) Beyond BOAT's two annual meetings, the Board and the General Membership may meet, either together or separately, as often as they determine necessary.

(c) Upon reasonable notice, the chairperson may at any time call for mandatory meetings of either the Board, the General Membership, or both.

(d) All seven (7) members of the Board shall constitute a quorum for exercising its powers.

- (1) In the case that a quorum is not met by members of the Board or their proxies, the chairperson shall have the authority once a year to allow the Board to exercise its powers, as long as at least (5) members of the Board are present.
 - (2) When making decisions during a meeting of the Board, an affirmative vote of at least a majority of the board members is required.
- (e) Rules determining how decisions will be reached during meetings of the General Membership will be addressed in BOAT's bylaws.

Section 112: Powers of the Board.

- (a) The Board shall have all the powers necessary or convenient to carry out the purposes and provisions of this regulation, including, but not limited to:
- (1) To promulgate, approve, modify, or amend BOAT's bylaws, other than those provisions directly specified in this regulation, as desired to carry out the purposes of the Association.
 - (2) To adopt or reject decisions made by the General Membership.
 - (3) To form committees, as it deems appropriate, comprised of members of the Board, the General Membership, or some combination thereof, to focus on issues related to the purposes of the Association.
 - (4) To ensure compliance among the Membership with all the laws of the Republic.
 - (5) To delegate its powers and functions; provided, however, that all delegations of power shall be in writing, every delegation under this provision shall be revocable at will, and no such delegation shall prevent the exercise of any power by the Board.
 - (6) To initiate and carry out an investigation and to request documents or information related to an investigation or the purposes of BOAT.
 - (7) To deny membership to any applicant and to suspend or revoke the membership of any member of BOAT; provided, however, that it is for good cause.

- (i) If a Boat owner is denied membership or their membership is suspended or revoked, they shall be notified in writing and a hearing shall be conducted wherein the member is afforded an opportunity to be heard.

Section 113: Severability.

- (a) If any provision of this regulation, or the application thereof to any person or circumstance, is held invalid, the invalidity of that provision does not affect any other provisions or applications of the regulation which can be given effect without the invalid provision or application, and to this end the provisions of this regulation are severable.

Section 114: Penalties.

- (a) Any time the operator of a Boat carrying one or more Tourists on a Commercial Tour is found not to be in possession of the BOAT membership card associated with the Boat they are operating, the owner of that Boat will pay a fine of:
 - (1) Five hundred dollars (\$500) for the first violation;
 - (2) One thousand dollars (\$1,000) for the second violation; and
 - (3) Two thousand dollars (\$2,000) for the third violation and any violation thereafter.