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AN ACT

To provide a fifty dollar (\$50) increase in Social Security benefit payments to individuals receiving Social Security benefits pursuant to Title 41, Subchapter VI of the Palau National Code; to appropriate funds for the maintenance of Peleliu's roads; to appropriate funds to support anti-human trafficking efforts; to amend Title 41 to allow self-employed persons to report actual wages; to appropriate funds to the PPUC to cover the cost of PPUC civil fines; to appropriate funds authorized by the FY 2018 Unified Budget; and for other related purposes.

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

1           Section 1. Legislative findings. The Olbiil Era Kelulau finds that in light of the  
2 rising costs of living for individuals and families within the Republic of Palau, it is  
3 necessary to provide a fifty dollar increase to the Social Security benefit  
4 payments for all individuals receiving benefits under Title 41, Chapter 7,  
5 Subchapter VI of the Palau National Code. Rising costs of living most affect those who  
6 are dependent on fixed monthly income, and the Olbiil Era Kelulau is responsive to this  
7 issue and believes that Palau's most vulnerable citizens must receive adequate income  
8 to live with dignity and independence.

9           The Olbiil Era Kelulau further finds that the FY 2018 Unified Budget authorized  
10 for appropriation \$1,600,000 to PPUC for water and wastewater improvement  
11 operations. These amounts have not been appropriated, but the ADB Loan repayment  
12 plan begins with payments in April and October of 2018. Therefore, the Olbiil Era  
13 Kelulau finds that the authorization to PPUC should be appropriated at this time to  
14 meet the financial obligations of PPUC for expenses incurred to improve the Republic's  
15 infrastructure. Additionally, the FY 2018 Unified Budget authorized but did not  
16 appropriate \$95,000 to cover the cost of PPUC civil fines. The Olbiil Era Kelulau finds  
17 that in light of the budget projections for the remainder of FY 2018, it is prudent to  
18 satisfy certain civil penalties for PPUC by appropriating the amount authorized.

19           Section 2. Supplemental SSA Benefit Payments. \$2,000,000, or so much as  
20 may be needed to accomplish the purpose established in this section, is hereby  
21 authorized to be appropriated to be available for Fiscal Year 2019 to the Social Security  
22 Administration and shall be used for the purpose of supplementing Social Security

1 benefit payments as directed in this section. Effective October 1, 2018 and continuing  
2 until September 30, 2019, Social Security benefit payments shall increase by fifty dollars  
3 (\$50) monthly for all individuals receiving Social Security benefits pursuant to Title 41,  
4 Chapter 7, Subchapter VI of the Palau National Code, subject to the availability of funds  
5 determined in the Unified Budget for FY2019. The continuation of this supplemental  
6 social security benefit payment beyond the conclusion of Fiscal Year  
7 2019 is subject to appropriation of funds from the National Government. Any  
8 unexpended or unobligated balance of the appropriation of this section shall lapse at the  
9 end of Fiscal Year 2019.

10 Section 3. Amendment to RPPL 10-12. The title of RPPL No. 10-12 is hereby  
11 amended as follows:

12 “To enact a budget law for Fiscal Year 2018 through the authorization of the sum of  
13 \$91,386,414 and appropriate \$87,879,414 from the National Treasury for the annual  
14 general operations, special revenue, and debt service budget of the Republic of Palau.”

15 Section 4. Amendment to RPPL 10-12. Amend RPPL No. 10-12 to add new  
16 Sections 38 and 39 and renumber the following Section accordingly:

17 “Section 38. Appropriation to Peleliu State. The amount of \$70,000 is authorized  
18 to be appropriated and is hereby appropriated for Fiscal Year 2018 to the Peleliu State  
19 Government for the purpose of paving and maintaining the state road located in the  
20 central to southern part of the island in advance of the events to commemorate the Third  
21 Anniversary of the visit by the Emperor and Empress of Japan. The funds  
22 appropriated by this section shall be administered by the Governor of Peleliu State, and  
23 the Capital Improvement Project Office shall provide technical and infrastructure  
24 assistance as needed. The amount authorized and appropriated shall come from the  
25 Road Maintenance Fund established in 40 PNC § 1404 (b). Any unexpended or  
26 unobligated balance of the appropriation of this section shall not lapse at the end of the  
27 fiscal year.

28 Section 39. Appropriation to the Ministry of Justice. The amount of \$100,000 is

1 authorized to be appropriated and is hereby appropriated for Fiscal Year 2018 to the  
2 Ministry of Justice for the purpose of establishing an Anti-Human Trafficking Office  
3 pursuant to Executive Order No. 412. The amount authorized and appropriated shall  
4 come from local revenues and any unexpended or unobligated balance of the  
5 appropriation of this section shall not lapse at the end of the fiscal year.”

6 Section 5. Amendments to RPPL 10-12. RPPL 10-12 Sections 21 and 23 are  
7 hereby amended as follows:

8 “Section 21. PPUC Water & Wastewater Subsidy. The sum of \$1,600,000 is  
9 hereby authorized to be appropriated and is hereby appropriated for expenditure or  
10 obligation for Fiscal Year 2018 to subsidize the water and sewer improvement  
11 operations of the Palau Public Utilities Corporation (PPUC). The entire amount  
12 authorized to be appropriated and appropriated in this section shall come from the 50  
13 percent allocation of “Green Fee” collections for power, water and sewer. Any  
14 unexpended or unobligated balance of the appropriation of this section shall not lapse at  
15 the end of the fiscal year. PPUC shall not increase any tariffs on utilities until after June  
16 30, 2018; PPUC shall provide a report to the President of the Republic and the Presiding  
17 Officers of the Olbiil Era Kelulau on the water and wastewater improvements as funded  
18 by the ADB Loan by January 31, 2018.

19 ...

20 Section 23. PPUC Civil Fines. The sum of \$95,000 is hereby authorized to be  
21 appropriated and is hereby appropriated for expenditure or obligation for Fiscal Year  
22 2018 as payment to cover costs of civil fines incurred by PPUC. The entire amount  
23 authorized to be appropriated in this section shall come from local revenues.”

24 Section 6. Amendment to Title 41. 41 PNC Section 741 is hereby amended as  
25 follows:

26 “§ 741. Self-employed persons.

27 (a)....

28 (b) A self-employed person who has, in a given quarter, at least one employee

1 who receives remuneration from him, may choose to report his or her contributions by  
2 using actual income or salary as a basis for reporting contributions, or may be presumed  
3 to receive in any quarter, as remuneration, twice the amount paid to his highest-paid  
4 employee in that quarter.

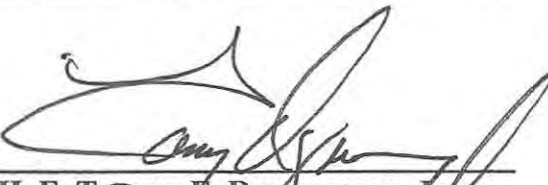
5 (c) A self-employed person who has, in a given quarter, no employee who  
6 receives remuneration from him, may choose to report his or her contributions by using  
7 actual income or salary as a basis for reporting contributions, or may be presumed to  
8 receive in any quarter, as remuneration, ten percent (10%) of the self-employed person's  
9 gross revenue in the current calendar year. However, if the self-employed person has  
10 reached retirement age under section 753, the self-employed person is exempt from  
11 contributions under this subsection.

12 ...”

13 Section 7. Effective date. This Act shall take effect upon its approval by the  
14 President of the Republic of Palau, or upon becoming law without such approval.

PASSED: March 26, 2018

Approved this 29<sup>th</sup> day of MARCH, 2018.

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