

Foreign Fishing Revenue Distribution, RPPL 8-47 2012

ACT

To equitably divide all revenue derived from licensing foreign vessels to fish for highly migratory fish within the jurisdictional waters of Palau, and for other related purposes.

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

Section 1. Legislative Findings. The Olbiil Era Kelulau finds that the Republic of Palau currently receives significant revenue from highly migratory fish. The Olbiil Era Kelulau finds that the Republic=s early lawmakers recognized this source of revenue and thus crafted the Constitution accordingly to include Article XII Section 6(c) which states that revenue derived from the licensing of foreign fishing vessels to fish for highly migratory fish within the Republic=s waters shall be allocated to the national and state governments equitably.

The Olbiil Era Kelulau also finds that during the First Olbiil Era Kelulau, Senate Joint Resolution No. 5, SD2, HD1, CD1 was adopted by the Olbiil Era Kelulau. In that Senate Joint Resolution, the Olbiil Era Kelulau determined that all revenue derived from the licensing of foreign fishing vessels would be divided equitably between the national government and the state governments as follows: 15% of the revenue will go to the national government, 55% will be equally divided among the states, and 30% will be divided among the states according to the population of each state. The Olbiil Era Kelulau finds that this formula has been effective and used by Palau=s National Treasury since the enactment of Senate Joint Resolution No. 5, SD2, HD1, CD1.

The OEK finds that funds have been disbursed to state governments based on Senate Joint Resolution No. 5, SD2, HD2, CD1 contrary to the requirements of authorization and appropriation of funds, therefore this legislation will provide the required statutory frame work for the disbursement of such funds.

Section 2. Foreign Fishing Revenue Distribution.

(a) In this Section, Aforeign fishing agreements@ means a contractual agreement or international treaty by which the Republic derives revenue from allowing outside persons and countries to fish for highly migratory fish within the Republic=s jurisdictional waters.

(b) In this Section Arevenue@ means any income that the Republic receives from a foreignfishing agreement under the terms of a foreign fishing agreement, and the issuing of licenses to fish within the Republic=s jurisdictional waters.

(c) Beginning with funds received in Fiscal Year 2011, all revenue derived from foreign fishing agreements shall hereby be divided between the national government and the state governments as follows:

(1) 15% of the revenue shall go to the national government.

(2) 55% shall be equally divided among the states.

(3) 30% shall be divided among the states according to the population of each state as stated in the most recent national government census.

(d) In each year=s national government fiscal budget, the revenues derived from foreign fishing agreements shall be authorized and appropriated in accordance with this Section.

Section 3. Ministry of Finance Reporting. The Minister of Finance shall submit a report each quarter to the Office of the President and to the Olbiil Era Kelulau stating any and all revenue derived from the licensing of foreign fishing vessels to fish within the Republic=s jurisdictional waters. This report shall include, but not be limited to the following information: to whom the license was granted, the amount of revenue derived from the licensing thus far, and the amount of revenue projected to be derived from the license.

Section 4. Repealer. Section 4 of RPPL 8-25 is hereby repealed.

Section 5. Effective Date. This Act shall take effect upon its approval by the President of the Republic of Palau or upon its becoming law without such approval, except as otherwise provided by law.

PASSED: July 23, 2012

Approved this 30th day of July, 2012.

/s/
His Excellency Johnson Toribiong
President, Republic of Palau