

**TITLE 8  
AERONAUTICS**

**Chapter 1  
General Provisions**

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**§ 101. Definitions.**

In this Title:

- (a) “Administrator” means the Administrator of Civil Aviation appointed under this Title;
- (b) “aeronautical enterprise” means a person engaged in air commerce or otherwise directly related to providing either air transportation or foreign air transportation;
- (c) “aeronautics” means the science and art of flight;
- (d) “air commerce” means:

- (1) the carriage by aircraft of persons or property for compensation or hire, or the

carriage of mail by aircraft, either between places in Palau or between a place in Palau and any place outside thereof;

(2) the operation or navigation of aircraft in the conduct or furtherance of a business or vocation either between places in Palau or between a place in Palau and any place outside thereof; or

(3) any operation or navigation of aircraft which directly endangers or affects the safety of the operations described in paragraphs (1) and (2) of this subsection;

(e) “aircraft” means any contrivance now known or hereafter invented, used or designed for navigation or flight in the air;

(f) “aircraft engine” means an engine used, or intended to be used, for propulsion of aircraft and includes all parts, appurtenances, and accessories thereof other than propellers;

(g) “aircraft hardware” means, other than an aircraft or aircraft engine, any instruments, equipment, apparatus, parts, appurtenances or accessories, of whatever description, or spare parts thereof, or propellers, which are used, or are capable of being or intended to be used, in the navigation, operation, or control of aircraft in flight (including parachutes and communication equipment and any other mechanism installed in or attached to an aircraft during flight), whether or not, at the time, installed;

(h) “air navigation facility” means any operation, structure, mechanism or equipment used in, available for use in, or designed for use in aid of air navigation, including airports, landing areas, lights, any apparatus or equipment for disseminating weather information, for signaling, for radio directional finding, or for radio or other electrical communication, or any other structure or mechanism having a similar purpose for guiding or controlling flight in the air or the landing and take-off of aircraft;

(i) “aircraft personnel” means:

(1) any individual who engages, as the person in command or as pilot, mechanic, or member of the crew, in the navigation of aircraft while underway;

(2) any individual in charge of the inspection, maintenance, overhauling, or repair of aircraft, aircraft engines, or aircraft hardware; and

- (3) any individual who serves in the capacity of aircraft dispatcher;
- (j) “airport” means a landing area used regularly by aircraft for receiving or discharging passengers or cargo;
- (k) “citizen of the Republic of Palau” means:
  - (1) an individual who is a citizen of the Republic of Palau;
  - (2) a partnership of which each partner is a citizen of the Republic of Palau; or
  - (3) a corporation or association established under the laws of the Republic of Palau and all of whose shareholders or members are citizens of the Republic of Palau.
- (l) “civil aircraft” means any aircraft other than a public aircraft or a military aircraft;
- (m) “domestic air carrier” means an air carrier which has been issued a domestic air carrier operating certificate by the Administrator, and which is operated by a citizen of the Republic of Palau, by the Government of the Republic of Palau, or by a non-citizen who has obtained appropriate foreign investment approval under the laws of the Republic, and which undertakes, whether directly or by a lease or any other arrangement, to engage in domestic air transportation or foreign air transportation, whether on a scheduled or charter basis;
- (n) “domestic air transportation” means the carriage by aircraft of persons or property as a common carrier for compensation, or hire or the carriage of mail by aircraft between places in Palau;
- (o) “foreign air carrier” means any carrier, not being a domestic air carrier, which undertakes, whether directly or indirectly or by lease or any other arrangement, to engage in foreign air transportation, whether on a scheduled or charter basis;
- (p) “foreign air transportation” means the carriage by aircraft of persons or property as a common carrier for compensation or hire or the carriage of mail by aircraft between a place in Palau and any place outside thereof;
- (q) “foreign country” means any sovereign nation other than the Republic of Palau and includes, for purposes of this Title only and without prejudice to the relationship of the

Government of the United States or the Government of the Republic of Palau or as to the nature and extent of the jurisdiction under law of either of them, the United States;

(r) “immediate family” means:

(1) a person’s spouse, children, and parents regardless of whether the person currently lives with his or her spouse, children or parents; and

(2) any other member of a person’s family or the person’s spouse’s family who currently lives with the person.

(s) “landing area” means any locality, either of land or water, including airports and intermediate landing fields, which is used, or intended to be used, for the landing and take-off of aircraft;

(t) “military aircraft” means an aircraft used exclusively in any military service;

(u) “Minister” means the Minister of Public Infrastructure and Industries;

(v) “Ministry” means the Ministry of Public Infrastructure and Industries;

(w) “navigable airspace” means airspace above the minimum altitudes of flight prescribed by regulations under this Title and includes airspace needed to insure safety in the take-off and landing of aircraft;

(x) “operation of aircraft” or “operate aircraft” means the use of aircraft, for the purpose of air navigation, and includes the navigation of aircraft; any person who causes or authorizes the operation of aircraft, regardless of whether the person had a right of legal control of the aircraft at that time as owner, lessee, or otherwise, shall be deemed to be engaged in the operation of aircraft within the meaning of this Title;

(y) “Palau” means the territory identified in Article I, Section 1 of the Constitution of the Republic of Palau and the airspace above such territory;

(z) “person” means any individual, firm, partnership, corporation, company, association, joint-stock association, or body politic, and includes any trustee, receiver, assignee, or other similar representative thereof;

(aa) “public aircraft” means an aircraft used exclusively in the service of any government

or of any political subdivision thereof, including, without limitation, the Government of the Republic of Palau, but not including any government-owned aircraft engaged in carrying persons or property for commercial purposes;

(bb) “special aircraft jurisdiction of Palau” includes:

(1) civil aircraft registered in the Republic of Palau; and

(2) any other aircraft within the jurisdiction of the Republic of Palau, while the aircraft is in flight, which is from the moment when all external doors are closed following embarkation until the moment when one such door is opened for disembarkation or, in case of a forced landing, until the competent authorities take over the responsibility of the aircraft and the persons and property aboard.

**Source**

(P.L. No. 7-35, § 1.) 21 TTC § 1, as amended by RPPL 3-30 § 9(1), modified. Amended by RPPL 5-19 § 3.

**Notes**

*See* 2 PNCA § 102 for all references to Ministry names in this Title.

**§ 102. General duties of Ministry.**

The Ministry of Public Infrastructure and Industries shall have general supervision over aeronautics within the Republic. It shall encourage, foster, and assist in the development of aeronautics in the Republic and encourage the establishment of airports and air navigation facilities in appropriate areas. It shall cooperate with and assist agencies of the national government, the United States Government, and other agencies, parties, or persons in the development of aeronautics, and shall seek, where appropriate, to coordinate the aeronautical activities of the Republic with appropriate agencies of the United States Government.

**Source**

(P.L. No. 7-35, § 2.) 21 TTC § 2, as amended by RPPL 3-30 § 9(2), modified.

**Cross-reference**

For statutory provisions establishing the Ministry of Public Infrastructure and Industries and describing its functions, see §§ 102, 106 of Title 2.

**§ 103. Administration of airports and facilities; in general.**

The Ministry shall be responsible for administering and have the authority to administer airports

and air navigational facilities in the Republic. These responsibilities shall include:

- (a) the management, operation, planning, acquisition, establishment, enlargement, and improvement of airports, airport facilities, and air navigation facilities;
- (b) the establishment of use fees for airports;
- (c) the establishment of training programs consistent with regulations promulgated by the Administrator for airport personnel, requiring appropriate training and tests;
- (d) the establishment of regulations relating to the management and operation of air navigation facilities consistent with regulations promulgated by the Administrator;
- (e) the provision of necessary technical assistance to airports.

**Source**

(P.L. No. 7-35, § 3.) 21 TTC § 3, modified. Amended by RPPL 5-19 § 3.

**§ 104. Operation and maintenance of airports.**

The Ministry shall be responsible for the operation and maintenance of all airports of the national government. It may enter into such leases, contracts, or maintenance and management agreements with private parties or governmental agencies as may be determined by the Minister to be in the public interest.

**Source**

(P.L. No. 7-35, § 4.) 21 TTC § 4, modified.

**§ 105. Miscellaneous fees and charges.**

The Minister is empowered and directed to establish and fix reasonable landing fees for aircraft and other reasonable charges for the use and enjoyment of the airports and the service and facilities furnished in connection therewith.

**Source**

(P.L. No. 7-35, § 5.) 21 TTC § 5, modified.

**§ 106. Liens.**

To enforce the payment of any charges for repairs or improvements to, or storage or care of, any personal property made or furnished by the Ministry, the national government, or agent thereof in connection with the operation of an airport or air navigation facility owned or operated by the Ministry or the national government, the Ministry or the national government shall have a lien on such property.

**Source**

(P.L. No. 7-35, § 6.) 21 TTC § 6, modified.

**§ 107. Aid from United States Government and other sources.**

(a) The Ministry may accept, receive, disburse, and expend moneys from the United States Government and other moneys, public or private, made available by grant or loan to accomplish, in whole or in part, any of the purposes of this chapter.

(b) All moneys from the United States Government accepted under and pursuant to this chapter shall be accepted and expended by the Ministry upon such terms and conditions as are prescribed by the United States Government, and the Ministry may enter into any contracts which may be required in connection therewith.

**Source**

(P.L. No. 7-35, § 7.) 21 TTC § 7, divided into subsections and modified.

**§ 108. United States Government; joint hearings.**

The Ministry may confer with or hold joint hearings with any agency of the United States Government in connection with any matter arising under this chapter or relating to the sound development of aeronautics.

**Source**

(P.L. No. 7-35, § 8.) 21 TTC § 8(1), modified.

**§ 109. Same; reciprocal services.**

The Ministry may avail itself of the cooperation, services, records, and facilities of any agencies of the United States Government as fully as may be practicable in the administration and enforcement of this chapter. The Ministry shall furnish to such agencies its cooperation,

services, records, and facilities, insofar as may be practicable.

**Source**

(P.L. No. 7-35, § 8.) 21 TTC § 8(2), modified.

**§ 110. Enforcement of aeronautical laws.**

The Minister, officers and employees of the Ministry and every law enforcement officer charged with the enforcement of laws in the Republic shall enforce this Title, all regulations and orders issued pursuant thereto, and all other laws of the Republic of Palau relating to aeronautics. In that capacity, they may inspect and examine at reasonable hours any premises and the buildings and other structures thereon where airports, air navigation facilities, or other aeronautical activities are operated or conducted.

**Source**

(P.L. No. 7-35, § 10.) 21 TTC § 10, modified. Amended by RPPL 5-19 § 3.

**§ 111. Regulations and standards.**

(a) The Minister may perform acts, issue and amend orders, promulgate and amend reasonable rules, regulations, and procedures, and establish minimum standards consistent with this Title as he deems necessary to carry out the provisions of this Title. The Minister is to perform his duties under this Title for the purpose of protecting and insuring the general public interest and safety, the safety of persons operating, using, or traveling in aircraft, and the safety of persons developing and promoting aeronautics in the Republic; provided that, if any conflict or inconsistency arises between the regulations and orders promulgated or issued by the Administrator and Minister, respectively, those of the Administrator shall prevail with respect to all issues directly affecting air safety.

(b) No regulation of the Minister shall apply to airports or air navigation facilities owned or operated by the United States Government.

(c) No rules, regulations, orders, or standards prescribed by the Minister shall be inconsistent with, or contrary to, any Act of the Congress of the United States, or any regulations promulgated or standards established pursuant thereto that are applicable to the Republic.

(d) All rules and regulations having the force and effect of law shall be approved by the President and promulgated in accordance with chapter 1 of Title 6 of this Code.



**Source**

(P.L. No. 7-35, § 11.) 21 TTC § 11, § 11(1) divided into two subsections and modified. Amended by RPPL 5-19 § 3, modified.

**Cross-reference**

Chapter 1 of Title 6 is the Administrative Procedure Act of the Administrative Law title of this Code.

**§ 112. Derivation and disbursement of funds.**

All monies received by the Ministry from rates, fees, and other charges pursuant to this chapter shall be paid to a special Airport Trust Fund account within the National Treasury, to be used at the discretion of the Minister for:

- (a) matching funds for grants from the United States Government for airport development;
- (b) maintenance of runways and navigational aids;
- (c) improvements, expansion, and maintenance of the terminal buildings; and
- (d) other matters related to airport operations.

**Source**

RPPL 5-47 § 10(a).

**Notes**

Republic of Palau v. Carreon, 19 ROP 66, 81 (2012).

**§ 113. [Repealed]**

**Source**

(P.L. No. 7-35, § 12.) 21 TTC § 12, modified. Repealed by RPPL 5-34 § 11(2). Section 113 was mistakenly amended by RPPL 6-12 § 29 and repealed by RPPL 6-26 § 23.

**Notes**

RPPL 4-26 § 8 provided for an automatic budget adjustment for surplus or deficit to the fund during fiscal year 1995. RPPL 4-26 was repealed in its entirety by RPPL 4-32 § 49. Cf. “Airport Improvement Fund” in 40 PNCA § 1403. RPPL 5-19 § 2 includes the following: Findings. The Olbiil Era Kelulau finds that it is imperative that the Republic of Palau, as a sovereign nation, adopt legislation to effectively regulate the Republic's navigable air space and to protect public safety. The most appropriate means of accomplishing these goals is to create a new administration to be governed by an Administrator, appointed by the President and confirmed by the Senate, who would serve for a fixed term and be subject to removal only for cause. This approach will help to ensure that decisions regarding air safety are based on the merits and are insulated from political interference.

**§ 114. [Repealed]****Source**

RPPL 5-28 § 5, modified. Repealed by RPPL 5-47 §17.

**§ 115. Authorization to enter into airport terminal building financing and construction agreement.**

(a) The President is hereby authorized to negotiate and execute an agreement or agreements on behalf of the national government with a private contractor or contractors, or for foreign government agency or agencies, to finance and to construct a new airport terminal building and related facilities or renovate the existing airport terminal building and related facilities in accordance with completed design and engineering specifications. To support the renovation and expansion of the existing international airport terminal facilities commencing in 2019, the President may issue an exemption from the payment of tax under 40 PNC chapters 12 and 13. Such tax exemption may only be issued to the prime or main contractor designated under such agreement, must be limited to activities required during and for the renovation and expansion of the existing international airport terminal facilities, and may only impact activities within the negotiated scope of work. Any such agreements must comply with the requirements of Title 40 PNC chapter 5. Methods of financing the construction may include, but need not be limited to, any one or more of the following:

- (1) Partnership agreements with prospective airport facilities users, including airline carriers and concessionaires, by which the outside partners contribute a portion of the capital needed for terminal building construction in exchange for offsetting future fees and charges for use of the facilities, and/or loan agreements. Any offsetting credit of future fees and charges to partners who are facilities users, and the aggregate of loan payments allowed in subsection (2), shall be within the airport's financial ability to absorb such reduced fees and charges, and/or to repay such loans.
- (2) Borrowing from any bank or lending institution or from any reputable financing agency, in a principal amount not to exceed twenty-four million five hundred thousand dollars (\$24,500,000) less any partnership loan agreements that might be established pursuant to subsection (a)(1) of this section.
- (3) A build, operate and transfer ("BOT") agreement or similar agreement under which a private contractor or agency ("private entity") carries out the financing,

construction, operation, and maintenance of the airport terminal, with the private entity operating the facility over a fixed term during which it is allowed to charge facility users appropriate fees, rentals, and charges, not exceeding those specified in its agreement with the government. Such fees and charges would be reasonably calculated to enable the private entity to recover construction costs and to cover operating and maintenance expenses in the project. The facility would be transferred to the national government at the end of a fixed term specified in the agreement.

(4) A grant or grant aid from another government or other foreign agency for a portion or the entire cost of construction of the airport terminal building and related facilities.

(5) An agreement or agreements, including, but not limited to, a joint venture, concession agreement, public private partnership, direct agreement, sponsor support agreement, equity subscription agreement, share retention agreement, sponsor apportionment agreement, shareholder agreement, collateral agreement, or hybrid arrangement, which facilitates the financing, construction, renovation, expansion, operation, or maintenance of the airport terminal and related facilities.

(b) Any agreement negotiated and executed by the President on behalf of the national government shall establish payments to the private entity (contractor) that are within the airport's ability to pay from its own revenues. Subject to the foregoing limitation, payments may vary during the period of the agreement in accordance with projected annual revenues of the airport over the period of the agreement. The duration of any such agreement may not exceed twenty (20) years, and the interest rate paid under the agreement may not exceed prevailing commercial loan interest rates in Palau and the region. In all cases, such agreements must comply with the requirements of Title 40 PNC chapter 5.

(c) Any loan agreement negotiated by the President on behalf of the national government, subject to approval by law in subsection (f), with a financial institution or other lender shall ensure that all debt service shall be within the airport's ability to pay from its own revenues. Subject to the foregoing limitation, periodic payments may vary during the period of the agreement in accordance with projected annual revenues of the airport over the loan period. In the event the airport is unable to reasonably meet its loan payment obligations during the life of the loan agreement, the President is authorized to renegotiate the terms of the loan, subject to approval by law in subsection (f), as

necessary to avoid a general default of the loan; provided, however, that the duration of the loan agreement may not exceed twenty (20) years, and the interest rate paid may not exceed prevailing commercial loan interest rates in Palau and the region. In all cases, loan agreements and terms must comply with the requirements of Title 40 PNC chapter 5.

(d) Any agreement negotiated pursuant to this section shall be exempt from the government procurement provisions of Title 40 PNC chapter 6.

(e) Subject to constitutional limitations, an agreement negotiated pursuant to this section may delegate the statutory powers of the executive relating to management of the Palau International Airport to a private concession company, and no other section of this code shall be read to countermand any such constitutional delegation of authority.

(f) The purpose of permitting the President to issue tax exemptions is to allow for the much-needed renovation and expansion, commencing in 2019, of the Palau International Airport. Providing the President with authority to enter into agreements and issue a tax exemption under this Section allows the Republic to accomplish this goal on favorable terms. The Olbiil Era Kelulau favors a financing arrangement that facilitates these needed improvements, protects the Republic from liability, and preserves our exclusive ownership of Palau International Airport. To this end, the Olbiil Era Kelulau supports and endorses the execution of direct agreements, sponsorship agreements, or similar agreements necessary to achieve such favorable financing arrangement.

(g) In this section, “subject to approval by law” shall mean:

(1) both houses of the Olbiil Era Kelulau have passed a resolution of approval for agreements under this section which shall designate the specific agreements being approved, or

(2) enactment of a bill into law, including but not limited to a budget or appropriations bill, which shall designate the specific agreements being approved.

**Source**

RPPL 5-28 §§ 2, 3, 4 and 6, modified. Amended in its entirety by RPPL 10-11 § 2, modified. Amended subsection (a), added a new subsection (f) and former subsection (f) is re-lettered as subsection (g) by RPPL 10-33 § 4.

# ORGANIZATION OF ADMINISTRATION 8 PNCA § 203

## Chapter 2 Organization of Administration

- § 201. Creation of Administration.
- § 202. Statement of Administration policy.
- § 203. Qualifications of Administrator; conflict of interest.
- § 204. Officers and employees.

### **§ 201. Creation of Administration.**

(a) Establishment of Administration headed by an Administrator. There is hereby established the National Aviation Administration, referred to in this Title as the “Administration.” The Administration shall be headed by the Administrator, who shall be appointed by the President, with the advice and consent of the Senate, and shall be responsible for all civil aviation in Palau and the administration of this Title. The Administrator shall be appointed for a term of five (5) years, and may not be removed except by the President for cause.

(b) Responsibilities of Administrator. The Administrator shall be responsible for the exercise of all powers and the discharge of all duties of the Administration and shall have control over all personnel and activities of the Administration.

#### **Source**

RPPL 5-19 § 4, modified.

### **§ 202. Statement of Administration policy.**

In the exercise and performance of his powers and duties under this Title, the Administrator shall consider the promotion, encouragement, and development of safety in civil aeronautics and in air commerce as being in the public interest.

#### **Source**

RPPL 5-19 § 4.

### **§203. Qualifications of Administrator; conflict of interest.**

(a) Qualifications of Administrator.

(1) The Administrator shall be appointed with regard for his fitness for the efficient discharge of the powers and duties vested in and imposed upon him by this Title;

(2) The Administrator shall have a four-year college degree in administration, aviation, business, or a related field, and shall have a minimum of three years management experience.

(b) Conflicts of interest. Neither the Administrator nor any member of the Administrator's immediate family may have any pecuniary interest in or own any stocks or bonds of any aeronautical enterprise nor may the Administrator engage in any other business, vocation, or employment.

**Source**  
RPPL 5-19 § 4.

**§204. Officers and employees.**

The Administrator may elect, employ, and appoint such officers, employees, consultants, attorneys, and agents as shall be necessary to carry out the provisions of this Title, and to define their authority and duties. No such officer, employee, consultant, attorney or agent may have a pecuniary interest in or own any stocks or bonds of any entity regulated hereunder.

**Source**  
RPPL 5-19 § 4.

**Chapter 3  
Administration of the National Aviation Administration**

- § 301. Cooperation with other agencies.
- § 302. Acquisition of property.
- § 303. Authorization to contract.
- § 304. Exchange of information.
- § 305. Delegation of functions.

**§ 301. Cooperation with other agencies.**

The Administrator shall have the power to use, with their consent, the available services, equipment, personnel, and facilities of other agencies of the Government of the Republic of Palau, on a reimbursable basis when appropriate, and on a similar basis to cooperate with those agencies in the establishment and use of services, equipment, and facilities of the Administration.

**Source**  
RPPL 5-19 § 5.

**§ 302. Acquisition of property.**

The Administrator may, where appropriate:

- (a) accept on behalf of the Republic of Palau, any gift or donation of money or other property, real or personal, or of services, provided that the Administrator shall make a written disclosure of all such gifts and donations to the President and Olbiil Era Kelulau within 10 days of their receipt; and
- (b) acquire by purchase, lease, or otherwise, personal and real property or interests therein, including, without limitation, in the case of air navigation facilities owned and operated by the Republic of Palau, easements through or other interests in airspace immediately adjacent thereto and needed in connection therewith.

**Source**  
RPPL 5-19 § 5.

**§ 303. Authorization to contract.**

The Administrator may, subject to available appropriations and applicable laws of the Republic of Palau, including but not limited to 40 PNC chapter 6, and in furtherance of the proper exercise of his powers and duties under this Title, contract or otherwise arrange for services of any person or governmental organization.

**Source**  
RPPL 5-19 § 5.

**§ 304. Exchange of information.**

The Administrator may exchange with foreign governments and international organizations, through appropriate agencies of the Government of the Republic of Palau, information pertaining to aeronautics and air safety, other than information that, if shared, may compromise national security or impair any obligation of the Republic under contract, the Compact of Free Association or other treaty to which the Republic is or may become a party, as reasonably determined by the appropriate agencies of the government of the Republic of Palau.

**Source**  
RPPL 5-19 § 5.

**§305. Delegation of functions.**

(a) Delegation to officers, employees, and administrative units of administration. The Administrator may, subject to such regulations, supervision, and review as may be prescribed, authorize the performance by any officer, employee, or administrative unit under his jurisdiction of any function under this Title.

(b) Delegation to private persons. The Administrator may delegate his powers and duties to establish training programs under section 409 of this Title to any properly qualified private person, subject to such regulation, supervision, and review as may be prescribed.

**Source**  
RPPL 5-19 § 5.



**Chapter 4  
General Powers and Duties**

- § 401. General.
- § 402. Applicability of Administrative Procedure Act.
- § 403. Exemptions.
- § 404. Development of air commerce.
- § 405. Airspace control and facilities.
- § 406. Air navigation facilities.
- § 407. Regulation of air traffic.
- § 408. Air transportation security.
- § 409. Training schools.
- § 410. Accident investigation.
- § 411. International obligations.

**§ 401. General.**

(a) General authority. The Administrator may perform acts, conduct investigations, issue and amend orders, assess reasonable fees and charges (except for use fees established by the Minister pursuant to section 103 of this Title), and promulgate and amend general or special regulations pursuant to and in accordance with the provisions of this Title as he shall deem necessary to carry out the provisions of this Title.

(b) Written reports. Except as may be otherwise provided in this Title, the Administrator shall make a report in writing regarding all proceedings and investigations conducted under this Title in which formal hearings have been held, and shall state in such report his conclusions with respect to the matter. All reports shall be entered of record and a copy thereof shall be furnished to all parties to the proceeding or investigation. The Administrator shall publish or otherwise make available to the public all reports, orders, decisions and regulations issued by him under this Title.

(c) Evidence. In the conduct of any public hearings or investigations authorized by this Title, the Administrator may take evidence, issue subpoenas, and take depositions. Actions of the Administrator in such cases shall be governed by the procedures specified in chapter 8 of this Title.

**Source**  
RPPL 5-19 § 6.

**§ 402. Applicability of Administrative Procedure Act.**

In the exercise of promulgating regulations under this Title, the Administrator shall be subject to the provisions of the Republic of Palau's Administrative Procedure Act, 6 PNC 101 *et seq.*

**Source**  
RPPL 5-19 § 6.

**§ 403. Exemptions.**

The Administrator from time to time may grant exemptions from the requirements of observing any regulation or order prescribed under this Title; provided that the Administrator may only exercise this power if he determines that failure to grant the exemption might reasonably lead to compromised national security or if he finds the exemption would promote public safety, health or welfare.

**Source**  
RPPL 5-19 § 6.

**§ 404. Development of air commerce.**

The Administrator shall encourage and foster the safe development of civil aeronautics and air commerce in Palau.

**Source**  
RPPL 5-19 § 6.

**§ 405. Airspace control and facilities.**

(a) Use of airspace. The Administrator may develop, plan for, and formulate policy with respect to the use of the navigable airspace, and assign by regulation or order the use of the navigable airspace under such terms, conditions, and limitations as he may deem necessary to insure the safety of aircraft and the efficient utilization of airspace.

(b) Limits on authority. The authority of the Administrator under this Section may be exercised only in that airspace for which air traffic control responsibility has not been assigned to a foreign country by international agreement or other arrangement.

**Source**  
RPPL 5-19 § 6.

**§ 406. Air navigation facilities.**

The Administrator may, within the limits of available appropriations, acquire, establish, and improve air navigation facilities, other than airports and landing areas, wherever necessary.

**Source**  
RPPL 5-19 § 6.

**§ 407. Regulation of air traffic.**

(a) General. In the interests of aviation safety, the Administrator may promulgate air traffic regulations and issue orders:

- (1) governing the flight of aircraft;
- (2) for the navigation, protection, and identification of aircraft;
- (3) for the protection of persons and property on the ground; and
- (4) for the efficient utilization of the navigable airspace, including safe altitude of flight and prevention of collision between aircraft, between aircraft and land or water vehicles and objects, and between aircraft and airborne objects.

(b) Facilities and personnel. The Administrator may provide, as required in the interest of aviation safety, the necessary facilities and personnel for the regulation and protection of air traffic.

(c) Limits on authority. The authority granted to the Administrator under this Section shall be exercised only in that airspace for which air traffic control responsibility has not been assigned to a foreign country by international agreement or other arrangement.

**Source**  
RPPL 5-19 § 6.

**§ 408. Air transportation security.**

- (a) Screening. The Administrator shall prescribe reasonable regulations requiring that all passengers and all property intended to be carried in the cabin of an aircraft in domestic or foreign air transportation be screened by weapon detecting procedures or facilities employed or operated by employees or agents of the domestic air carrier or foreign air carrier prior to boarding the aircraft.
- (b) Protection against violence and piracy. The Administrator may prescribe other reasonable regulations requiring practices, methods, and procedures as he may deem necessary to protect persons and property aboard aircraft operating in domestic [or] foreign air transportation against acts of criminal violence and aircraft piracy.
- (c) Procedures for inspections, detentions, and searches. The Administrator shall, to the extent practicable, require uniform procedures for the inspection, detention, and search of persons and property in domestic and foreign air transportation to assure safety and to assure that domestic air carriers and their agents and employees provide courteous and efficient service.
- (d) Powers distinct from powers of Division of Customs. The powers of the Administrator as set forth in this section are distinct from those of the Division of Customs, and the exercise of the Administrator's powers pursuant to this section shall in no way limit or impair the powers or duties of customs officials.

**Source**  
RPPL 5-19 § 6.

**Notes**

In subsection (b) “domestic or foreign air” reads “domestic of foreign air” in the original legislation.

**§ 409. Training schools.**

- (a) Authority to operate. The Administrator may operate schools for training employees of the Administration in the subjects necessary for the proper performance of authorized functions of the Administration. The Administrator also may authorize attendance at courses given in these schools by other governmental personnel, personnel of foreign governments, or aeronautical industry personnel.
- (b) Offset of training costs. The Administrator may, where appropriate, require attendees

of schools referred to in this section (other than employees of the Administration) to make payments of appropriate consideration to offset the costs of training provided by the schools.

**Source**  
RPPL 5-19 § 6.

**§ 410. Accident investigation.**

(a) Reporting of accidents. The Administrator shall promulgate regulations governing the notification and reporting of accidents and incidents involving aircraft.

(b) General authority to investigate.

(1) Except as provided in subsection (d) of this section, the Administrator shall investigate, or arrange by contract or otherwise for the investigation of, accidents involving civil aircraft that occur in Palau, and accidents involving civil aircraft registered in the Republic of Palau that occur in the territory of any foreign country, for the purpose of determining the facts, conditions, and circumstances relating to each accident and the probable cause thereof.

(2) The Administrator may participate in the investigation of accidents involving aircraft registered in the Republic of Palau and occurring in the territory of any foreign country, in conformity with any treaty, convention, agreement, or other arrangement between Palau and the country in whose territory the accident occurred.

(c) Accident prevention. Based on the findings of the accident investigations authorized under this Section, the Administrator shall take corrective actions intended to prevent similar accidents in the future.

(d) Investigation of accidents within defense sites. Notwithstanding any other provision of this Section, and unless otherwise agreed to by the Government of the Republic of Palau and the Government of the United States, the investigation of an accident involving aircraft occurring within defense sites in Palau or an accident involving solely a military aircraft of any foreign country occurring in Palau shall be the responsibility of the Government of the United States. For purposes of this subsection, the term “defense sites” means those areas within Palau having the status of defense sites as agreed upon between the Government of the Republic of Palau and the Government of the United

States, and which are actively being used as defense sites at the time of the accident. To the extent agreed to by the United States, the Administrator shall work with the government of the United States to assist with and participate in any investigation of an accident involving or occurring within a defense site or an accident involving solely a military aircraft.

**Source**  
RPPL 5-19 § 6.

**§ 411. International obligations.**

In exercising and performing his powers and duties under this Title, the Administrator shall act in conformity with any obligation assumed by the Government of the Republic of Palau under the Compact of Free Association and its related agreements, any other agreements for the use of areas in Palau by the Government of the United States, and any other treaty, convention, or agreement that may be in force between the Government of the Republic of Palau and any foreign country.

**Source**  
RPPL 5-19 § 6.

# NATIONALITY AND OWNERSHIP OF AIRCRAFT 8 PNCA § 501

## Chapter 5 Nationality and Ownership of Aircraft

§ 501. Aircraft registration.

§ 502. Recordation of interests.

### § 501. Aircraft registration.

(a) Establishment of registry. The Administrator may establish and maintain a system for the national registration of civil aircraft in the Republic of Palau.

(b) Registration requirement. It shall be unlawful to operate a civil aircraft in Palau unless it is registered in the Republic of Palau or under the laws of a foreign country; provided that the Administrator may, by regulation, permit the operation of civil aircraft in Palau without registration for reasonable periods not to exceed one hundred eighty (180) days that the Administrator may prescribe after transfer of ownership of the aircraft.

(c) Eligibility. If the Administrator establishes a registry, an aircraft shall be eligible for registration if it is not registered in a foreign country and, it is owned by:

(1) a citizen of the Republic of Palau; or

(2) the Government of the Republic of Palau or a political subdivision thereof; or

(3) a non-citizen, if engaging in domestic or foreign air transportation, who has obtained appropriate foreign investment approval under the laws of the Republic;  
or

(4) a non-citizen not engaging in domestic or foreign air transportation who has obtained prior written approval to register the aircraft from the Minister and Administrator.

(d) Certificate of registration. Upon request of the owner of any aircraft eligible for registration, the aircraft shall be registered by the Administrator who shall issue to the owner a certificate of registration.

(e) Application. Applications for certificates of registration shall be in the form and contain the information, and be filed in the manner as the Administrator may require.

(f) Suspension and revocation. Any certificate of registration may be suspended or revoked by the Administrator for any cause if the Administrator finds a suspension or revocation to be in the public interest.

(g) Nationality and evidence of ownership. An aircraft shall acquire Republic of Palau nationality when registered under this Title. A certificate of registration issued under this Section may not be considered evidence of ownership in any proceeding under the laws of the Republic of Palau in which ownership of the aircraft by a particular person is or may be in issue.

**Source**  
RPPL 5-19 § 7.

**§ 502. Recordation of interests in aircraft.**

(a) Establishment of system. The Administrator may establish a national system for recording documents which affect title to or any interest in any civil aircraft registered in the Republic of Palau and in any aircraft engine [or] aircraft hardware intended for use on any aircraft registered in the Republic of Palau.

(b) Validity before filing. Upon the Administrator establishing a recording system, no document affecting title to or any interest in registered aircraft, aircraft engines or aircraft hardware shall be valid, except between the parties thereto, unless it is recorded in that system.

(c) Applicable laws. The validity of any document so recorded, unless otherwise specified by the parties thereto, shall be determined under the laws of the Republic of Palau. The requirements for documents to be recorded shall be specified in regulations issued by the Administrator.

**Source**  
RPPL 5-19 § 7.

**Notes**

The word “or” in subsection (a) between “aircraft engine” and “aircraft hardware” does not appear in the original legislation.



**Chapter 6  
Safety Regulation of Civil Aviation**

- § 601. General safety powers and duties.
- § 602. Aircraft personnel certificates.
- § 603. Airworthiness certificates.
- § 604. Domestic air carrier operating certificates.
- § 605. Schools and repair stations.
- § 606. Form of application; filing fees.
- § 607. Air navigation facility safety standards.
- § 608. Duty of domestic air carriers and aircraft personnel.
- § 609. Duty to inspect aircraft, aircraft engines and aircraft hardware.
- § 610. Amendment, suspension, and revocation of certificates.
- § 611. Prohibitions.

**§ 601. General safety powers and duties.**

(a) Promoting safety. The Administrator shall promote safety of flight of civil aircraft registered in Palau or operated by domestic air carriers involved in air commerce by promulgating reasonable regulations governing, in the interest of air safety:

- (1) the inspection, servicing, and overhaul of aircraft, aircraft engines and aircraft hardware;
- (2) the equipment and facilities for inspection, servicing, and overhaul;
- (3) the periods for and the manner in which the inspection, servicing, and overhaul shall be made, including provision for examinations and reports by properly qualified private persons or personnel of foreign governments whose examinations and reports the Administrator may accept in lieu of those made by officers and employees of the Administration;
- (4) aircraft, aircraft engines, aircraft hardware, and fuel and oil reserve supply requirements;
- (5) the maximum continuous hours or periods of service of aircraft personnel and other employees of domestic air carriers; and

(6) other practices, methods, and procedures as the Administrator may find necessary to provide adequately for safety in air commerce.

(b) Considerations in the regulation of domestic air carriers. In promulgating regulations and in issuing certificates under this Title, the Administrator shall consider the obligation of domestic air carriers to perform services with the highest possible degree of safety.

**Source**  
RPPL 5-19 § 8.

**§ 602. Aircraft personnel certificates.**

(a) Authority to certificate aircraft personnel. The Administrator may issue aircraft personnel certificates specifying the capacity in which certificate holders are authorized to serve as aircraft personnel.

(b) Application and issuance. Any person may file with the Administrator an application for an aircraft personnel certificate. If the Administrator finds, after investigation, that the applicant possesses the proper qualifications for, and is physically able to perform, the duties pertaining to the position for which the aircraft personnel certificate is sought, he shall issue the certificate. The Administrator may, in lieu of such a finding, consider prior issuance of an aircraft personnel certificate by a foreign country that is a member of the International Civil Aviation Organization as satisfactory evidence, in whole or in part, that the applicant possesses the qualifications and physical ability to perform the duties pertaining to the position for which the aircraft personnel certificate is sought.

(c) Terms and conditions. The certificate shall contain terms, conditions, tests of physical fitness, and other matters as the Administrator may determine to be necessary to assure safety in air commerce.

(d) Certification of foreign nationals. Notwithstanding the provisions of subsection (b), the Administrator may promulgate regulations that prohibit or restrict, in a manner as he deems appropriate, the issuance of aircraft personnel certificates to citizens of foreign countries.

(e) Contents. Each aircraft personnel certificate shall:

(1) be numbered and recorded by the Administrator;

## **SAFETY REGULATION OF CIVIL AVIATION 8 PNCA § 604**

- (2) state the name and address, and contain a description, of the person to whom the certificate is issued; and
- (3) be titled with the designation of the class and category covered thereby.

**Source**  
RPPL 5-19 § 8.

### **§ 603. Airworthiness certificates.**

(a) Authority to certificate airworthiness. The owner of any aircraft registered in the Republic of Palau shall file with the Administrator an application for an airworthiness certificate for such aircraft.

(b) Issuance. If the Administrator finds that the aircraft conforms to the Type Certificate therefor, and, after inspection, finds that the aircraft is in condition for safe operation, he shall issue an airworthiness certificate. The Administrator may, in lieu of such finding, consider the prior issuance of a certificate of airworthiness by a foreign country that is a member of the International Civil Aviation Organization as satisfactory evidence, in whole or in part, that the aircraft is airworthy.

(c) Terms and conditions. The Administrator may prescribe in an airworthiness certificate the duration of the certificate, the type of service for which the aircraft may be used, and other terms, conditions, limitations, and information as are required in the interest of safety. Each airworthiness certificate issued by the Administrator shall be recorded by the Administrator.

**Source**  
RPPL 5-19 § 8.

### **§ 604. Domestic air carrier operating certificates.**

(a) Authority to certificate carriers and establish safety standards. The Administrator may issue domestic air carrier operating certificates and shall, by regulation, establish minimum safety standards for the operation of the domestic air carrier for which any domestic air carrier operating certificate is issued.

(b) Application and issuance. Any person desiring to operate as a domestic air carrier shall file with the Administrator an application for a domestic air carrier operating

certificate. If the Administrator finds, after investigation, that the applicant is properly and adequately equipped and able to conduct a safe operation in accordance with the requirements of this Title and the regulations promulgated hereunder, the Administrator shall issue a domestic air carrier operating certificate to the applicant.

**Source**  
RPPL 5-19 § 8.

**§ 605. Schools and repair stations.**

(a) Examination and rating. The Administrator may, by regulation, provide for the examination and rating of:

- (1) civilian schools giving instruction in flying or in the repair, alteration, maintenance, and overhaul of aircraft, aircraft engines and aircraft hardware, as to the adequacy of the course of instruction, the suitability and airworthiness of the equipment, and the competency of the instructors; and
- (2) repair stations or shops for the repair, alteration, maintenance, and overhaul of aircraft, aircraft engines and aircraft hardware, as to the adequacy and suitability of the equipment, facilities, and materials for, and methods of, repair and overhaul, and the competency of those engaged in the work or giving any instruction therein.

(b) Authority to certificate. The Administrator may issue certificates for schools and repair stations that meet the standards set forth in this Title and regulations promulgated hereunder.

**Source**  
RPPL 5-19 § 8.

**§ 606. Form of application; filing fees.**

The Administrator may, by regulation, prescribe the form and content of, and filing and serving procedures in connection with, applications for certificates issued under authority of this Title; the Administrator may prescribe that applications be made under oath or affirmation. The Administrator may impose and collect filing fees for applications filed or certificates issued pursuant to this Title.

# **SAFETY REGULATION OF CIVIL AVIATION 8 PNCA § 607**

**Source**  
RPPL 5-19 § 8, modified.

## **§ 607. Air navigation facility safety standards.**

(a) Minimum safety standards. The Administrator shall, by regulation, prescribe and revise from time to time as necessary minimum safety standards for the operation of air navigation facilities located in Palau.

(b) Certification of airports.

(1) The Administrator shall issue airport certificates to, and shall, by regulation, establish minimum safety standards for the operation of airports that serve scheduled or unscheduled passenger operations of domestic air carrier or foreign air carrier aircraft.

(2) Any person desiring to operate an airport that is required by the Administrator to be certificated shall file with the Administrator an application for an airport operating certificate. If the Administrator finds, after investigation, that the applicant is properly and adequately equipped and able to conduct a safe operation in accordance with the requirements of this Title and the regulations promulgated thereunder, he shall issue an airport operating certificate to the applicant. Each airport operating certificate shall prescribe terms, conditions, and limitations that are reasonably necessary to assure air transportation safety. Unless the Administrator determines that it would be contrary to the public interest, the terms, conditions, and limitations shall include but not be limited to the following:

(A) the operation and maintenance of adequate safety equipment, including fire fighting and rescue equipment capable of rapid access to any portion of the airport used for landing, takeoff, or surface maneuvering of aircraft; and

(B) the condition and maintenance of primary and secondary runways.

**Source**  
RPPL 5-19 § 8.

**§ 608. Duty of domestic air carriers and aircraft personnel.**

It shall be the duty of each domestic air carrier to make or cause to be made inspection, maintenance, overhaul, and repair of all aircraft, aircraft engines and aircraft hardware used in air transportation as may be required by this Title and the orders and regulations of the Administrator issued or promulgated hereunder.

**Source**  
RPPL 5-19 § 8.

**§ 609. Duty to inspect aircraft, aircraft engines and aircraft hardware.**

(a) Authority to inspect. The Administrator shall:

(1) make such inspections of aircraft, aircraft engines and aircraft hardware used by a domestic air carrier in air transportation as may be necessary to determine that the aircraft, aircraft engines and aircraft hardware are in safe condition and are properly maintained for operation in air transportation; and

(2) advise each domestic air carrier regarding inspection and maintenance by the domestic air carrier.

(b) Unsafe aircraft, aircraft engines and aircraft hardware. Whenever the Administrator finds that any aircraft, aircraft engine or aircraft hardware, used or intended to be used by any domestic air carrier in air transportation, is not in a condition for safe operation, he shall notify the domestic air carrier and shall do so, if practical, in writing. That aircraft, aircraft engine or aircraft hardware may not be used in air transportation or in such manner as to endanger air transportation, unless and until found by the Administrator in writing to be in a condition for safe operation.

**Source**  
RPPL 5-19 § 8.

**§ 610. Amendment, suspension, and revocation of certificates.**

(a) Reinspection and reexamination. The Administrator may, from time to time, reinspect any aircraft, aircraft engine[,] aircraft hardware, school, or repair station or reexamine any civil aircraft personnel.

## SAFETY REGULATION OF CIVIL AVIATION 8 PNCA § 611

(b) Actions of the Administrator. If, as a result of any reinspection or reexamination, or if, as a result of any other investigation made by the Administrator, he determines that safety in air commerce and the public interest requires, the Administrator may issue an order amending, modifying, suspending, or revoking, in whole or in part, any certificate, issued by the Administrator under this Title.

(c) Notice to certificate holders and opportunity to answer. Prior to amending, modifying, suspending, or revoking any certificates issued pursuant to this Title, the Administrator shall advise the holder thereof as to any charges or reasons relied upon by the Administrator for his proposed action and, except in cases of emergency, shall provide the holder of such a certificate an opportunity to answer any charges and be heard regarding why the certificate should not be amended, modified, suspended, or revoked.

(d) Appeals. Any person whose certificate is amended, modified, suspended or revoked by the Administrator under this Section may appeal the Administrator's order to the Trial Division of the Supreme Court, and the Administrator shall be made a party to these proceedings.

(e) Effectiveness of orders pending appeal. The filing of an appeal with the Trial Division of the Supreme Court shall not stay the effectiveness of the Administrator's amendment, modification, suspension or revocation, provided that the Court may, upon application by the appellant, stay the effect of the Administrator's order if it finds that the stay will not adversely affect public safety.

### Source

RPPL 5-19 § 8.

### Notes

In subsection (a) the bracketed [,] does not appear in the original legislation.

### § 611. Prohibitions.

It shall be unlawful:

(a) for any person to operate in air commerce any civil aircraft for which there is not currently in effect an airworthiness certificate, or in violation of the terms of any airworthiness certificate;

(b) for any person to serve in any capacity as aircraft personnel in connection with any civil aircraft, aircraft engine or aircraft hardware used or intended for use in air commerce

without an aircraft personnel certificate authorizing him to serve in this capacity, or in violation of any term, condition, or limitation thereof, or in violation of any order or regulation issued or promulgated under this Title;

(c) for any person to employ for service in connection with any civil aircraft used in air commerce aircraft personnel who does not hold a current aircraft personnel certificate authorizing service in the capacity for which he is employed;

(d) for any person to operate as a domestic air carrier without a domestic air carrier operating certificate and a certificate of public convenience and necessity issued pursuant to chapter 9 of this Title, or in violation of the terms of any such certificate;

(e) for any person to operate as a foreign air carrier without a foreign permit issued pursuant to chapter 9 of this Title;

(f) for any person to operate aircraft in air commerce in violation of any regulation or certificate promulgated or issued by the Administrator or Minister under this Title;

(g) for any person holding a certificate issued under section 605 of this Title to violate any term, condition, or limitation thereof, or to violate any order, or regulation issued or promulgated under this Title relating to the holder of such certificate; and

(h) to violate any other provision of this Title, or regulations or orders promulgated or issued hereunder.

**Source**  
RPPL 5-19 § 8.



**Chapter 7  
Penalties**

- § 701. Civil penalties.
- § 702. Criminal penalties.

**§ 701. Civil penalties.**

(a) General penalty. Any person, other than a person conducting an operation in domestic air transportation or foreign air transportation, who violates any provision of this Title or any regulation or order promulgated or issued hereunder shall be subject to a civil penalty of not less than five hundred dollars (\$500) for each violation. Any person conducting an operation in domestic air transportation or foreign air transportation who violates any provision of this Title or any regulation or order promulgated or issued hereunder shall be subject to a civil penalty of not less than one thousand dollars (\$1,000) for each violation. If any violation is a continuing one, each day of violation shall constitute a separate offense.

(b) Penalty considerations. The Administrator shall have the power to assess and compromise any civil penalty. In determining the amount of the penalty, the Administrator shall take into account the nature, circumstances, extent, and gravity of the violation committed and, with respect to the person found to have committed such violation, the degree of culpability, history of prior offenses, ability to pay, effect on ability to continue to do business, and other matters as justice may require.

(c) Aircraft subject to liens. If a civil aircraft is involved in a violation and the violation is by the owner or operator of the aircraft, the aircraft shall be subject to a lien for the penalty.

**Source**  
RPPL 5-19 § 9.

**§ 702. Criminal penalties.**

(a) Certificate violations. Any person who knowingly and willfully forges, counterfeits, alters, or falsely makes any certificate authorized to be issued or prescribed under this Title, or who knowingly uses or attempts to use any fraudulent certificate, and any person who knowingly and willfully displays or causes to be displayed on any aircraft any marks

that are false or misleading as to the nationality or registration of the aircraft, shall be guilty of an offense and shall upon conviction be liable for a fine of not less than one thousand five hundred dollars (\$1,500), or a term of imprisonment not exceeding three (3) years, or both.

(b) Interference with air navigation. Any person who:

(1) with intent to interfere with air navigation within Palau, exhibits within Palau any light or signal at a place or in a manner that makes it likely to be mistaken for a navigation or other light or signal established pursuant to this Title, or for a navigation or other light or signal in connection with an airport or other air navigation facility, or, after due warning by the Administrator, continues to maintain any misleading light or signal; or

(2) knowingly and willfully removes, extinguishes, or interferes with the operation of any light or signal established pursuant to this Title or in connection with an airport or other air navigation facility[;]

shall be guilty of an offense and shall upon conviction be liable for a fine of not less than five hundred dollars (\$500), or a term of imprisonment not exceeding five (5) years, or both.

(c) Reporting and record keeping violations. Any domestic air carrier, or any officer, agent, employee, or representative thereof, who knowingly and willfully fails or refuses to make a report to the Administrator as required by this Title, or knowingly or willfully fails or refuses to keep or preserve accounts, records, and memoranda in the form and manner prescribed or approved by the Administrator, or knowingly and willfully falsifies, mutilates, or alters any report, account, record, or memorandum, or knowingly and willfully files a false report, account, record, or memorandum, shall be guilty of a misdemeanor and shall upon conviction be liable for each offense for a fine of not less than one thousand dollars (\$1,000).

(d) Refusal to testify or produce records. Any person who neglects or refuses to attend and testify, or to answer any lawful inquiry, or to produce books, papers, or documents, if in his power to do so, in obedience to a subpoena or lawful requirement of the Administrator, shall be guilty of a misdemeanor and shall upon conviction be liable for a fine not less than one hundred dollars (\$100) and not exceeding five thousand dollars (\$5,000), or a term of imprisonment not exceeding one (1) year, or both.

## PENALTIES

## 8 PNCA § 702

(e) Aircraft piracy. Any person who commits or attempts to commit aircraft piracy, as herein defined, shall be punished:

- (1) with imprisonment for not less than twenty (20) years; or
- (2) if the death of another person results from the commission or attempted commission of the offense, with imprisonment for life.

As used in this subsection, the term “aircraft piracy” means any seizure or exercise of control, by force or violence, or by any other form of intimidation or by misrepresentation, and with wrongful intent, of an aircraft.

An attempt to commit aircraft piracy shall be deemed within the special aircraft jurisdiction of the Republic of Palau even though the aircraft is not in flight at the time of such attempt, if the aircraft would have been within the special jurisdiction of the Republic of Palau had the offense of aircraft piracy been completed.

(f) Interference with crew members. Any person who, while on board an aircraft within the special aircraft jurisdiction of the Republic of Palau, assaults, intimidates, or threatens any flight crew member or flight attendant so as to interfere with the performance by the crew member or attendant of his duties or lessen the ability of the member or attendant to perform his duties, shall be guilty of an offense and shall upon conviction be liable for a fine not less than one thousand dollars (\$1,000) or a term of imprisonment not exceeding twenty (20) years, or both. Whoever, in the commission of any act referred to in this subsection, shall use a deadly or dangerous weapon, shall be liable to a term of imprisonment for any term of years or for life.

(g) General criminal penalty. Whoever, while on board an aircraft within the special aircraft jurisdiction of the Republic of Palau, commits an act, which, if committed in Palau would be a violation of the laws of the Republic of Palau, shall be punished as provided in those laws.

(h) Weapon and explosive violations.

- (1) Whoever while on board or while attempting to board, any aircraft in or intended for operation in foreign or domestic air transportation, has on or about his person or his property a concealed dangerous weapon, which is, or would be, accessible to the person in flight, or any person who has on or about his person, or who has placed or attempted to place aboard the aircraft any bomb or similar

explosive or incendiary device, shall be guilty of an offense and shall upon conviction be liable for a fine of not less than two thousand five hundred dollars (\$2,500) or a term of imprisonment not exceeding five (5) years, or both; provided that if a firearm is used in the commission of any act referred to in this subsection, the term of imprisonment shall be at least fifteen (15) years.

(2) Whoever willfully and without regard for the safety of human life, or with reckless disregard for the safety of human life, commits an act prohibited by paragraph (1) shall be guilty of an offense and shall upon conviction be liable to a fine of not less than five thousand dollars (\$5,000) or to a term of imprisonment not exceeding twenty (20) years, or both.

(3) Paragraph [(1)] of this subsection shall not apply to law enforcement officers authorized by the President pursuant to the Firearms Control Act, and the Administrator, to carry firearms, or to persons authorized by the Administrator to carry dangerous weapons other than firearms, in foreign or domestic air transportation, nor shall it apply to persons transporting weapons contained in baggage which is not accessible to passengers in flight in accordance with regulations promulgated by the Administrator and consistent with the Firearms Control Act.

(i) Interference with aircraft operations. Whoever willfully and with reckless disregard for safety of human life interferes or attempts to interfere with the safe operation of any aircraft in, or intended for operation in, the special aircraft jurisdiction of the Republic of Palau, shall be guilty of an offense and shall upon conviction be liable for a fine of not less than five hundred dollars (\$500) or a term of imprisonment not exceeding five (5) years, or both.

(j) False information.

(1) Whoever imparts or conveys or causes to be imparted or to be conveyed false information, knowing the information to be false, concerning an attempt or alleged attempt being made or to be made, to do an act which would be a crime prohibited by subsections (e) through (i) of this section, shall be guilty of an offense and shall upon conviction be liable for a fine of not less than five hundred dollars (\$500) or a term of imprisonment not exceeding five (5) years, or both;

(2) Whoever willfully and maliciously, or with reckless disregard for the safety of human life, imparts or conveys or causes to be imparted or to be conveyed false

information, knowing the information to be false, concerning an attempt or alleged attempt being made or to be made, to do any act which would be a crime prohibited by subsections (e) through (i) of this section, shall be guilty of an offense and shall upon conviction be liable for a fine of not less than two thousand five hundred dollars (\$2,500) or a term of imprisonment not exceeding five (5) years, or both.

(k) Removal of parts of aircraft involved in accidents. Any person who knowingly and without authority removes, conceals, or withholds any part of a civil aircraft involved in an accident, or any property which was aboard such aircraft at the time of the accident, shall be guilty of an offense and shall upon conviction be liable for a fine of not less than one hundred dollars (\$100) and not exceeding five thousand dollars (\$5,000), or a term of imprisonment not exceeding ten (10) years, or both.”

**Source**

RPPL 5-19 § 9.

**Notes**

The bracketed [;] in subsection (b)(2) appears as a comma in the original legislation. The bracketed [(1)] in subsection (h)(3) appears without parenthesis in the original legislation.

**Chapter 8  
Procedure**

- § 801. Conduct of proceedings.
- § 802. Complaints to and investigations by the Administrator.
- § 803. Evidence.
- § 804. Designation of agent for service.
- § 805. Venue.
- § 806. Judicial review of orders.
- § 807. Judicial enforcement.
- § 808. Procedure for civil penalties.

**§ 801. Conduct of proceedings.**

- (a) Conducting proceedings. The Administrator shall, subject to the provisions of this Title, conduct proceedings under this Title in a manner that will be conducive to the proper dispatch of business and to the ends of justice.
- (b) Conflicts of interest. No employee of the Administration may participate in any hearing or proceeding in which the employee or the employee's immediate family has a pecuniary interest.
- (c) Appearance. Any person may appear before the Administrator and be heard in person or by an attorney.
- (d) Recording and public access. Every official act of the Administrator shall be entered of record, and the proceedings thereof shall be open to the public upon request of any interested party, unless the Administrator determines that withholding from public disclosure is necessary on grounds of national security.

**Source**  
RPPL 5-19 § 10.

**§ 802. Complaints to and investigations by the Administrator.**

- (a) Filing of complaints. Any person may file with the Administrator a complaint in writing with respect to anything done or omitted to be done by any person in contravention of any provision of this Title, or regulations or orders promulgated or

issued hereunder. The Administrator shall investigate the matters set forth in the complaint. Whenever the Administrator is of the opinion that any complaint does not state facts which warrant an investigation or action, such complaint may be dismissed without hearing.

(b) Investigations. The Administrator may institute an investigation at any time, on his own initiative, in any case and as to any matter or thing within his jurisdiction by any provision of this Title, concerning which a complaint is authorized to be made to or before the Administrator, or concerning which any question may arise under any of the provisions of this Title, or relating to the enforcement of any of the provisions of this Title. The Administrator shall have the same power to proceed with any investigation instituted on his own motion as though it had been made to him by complaint.

(c) Orders to compel compliance. If the Administrator finds, after notice and hearing, in any investigation instituted upon complaint or upon his own initiative, with respect to matters within his jurisdiction, that any person has failed to comply with any provision of this Title or any requirement established pursuant thereto, the Administrator shall, consistent with the provisions of this Title, issue an appropriate order to compel such person to comply therewith.

**Source**  
RPPL 5-19 § 10.

**§ 803. Evidence.**

(a) General. The Administrator shall hold hearings, sign and issue subpoenas, administer oaths, examine witnesses, and receive evidence at any place in Palau.

(b) Subpoenas. For purposes of this Title, the Administrator shall have the power to require by subpoena the attendance and testimony of witnesses and the production of all books, papers, and documents relating to any matter under investigation.

(c) Compliance with subpoenas. The attendance of witnesses and the production of books, papers, and documents may be required from any place in Palau, at any designated place of hearing. In case of disobedience to a subpoena, the Administrator, or any party to a proceeding before the Administrator, may invoke the aid of the Trial Division of the Supreme Court in requiring attendance and testimony of witnesses and the production of such books, papers, and documents under the provisions of this section.

(d) Depositions.

(1) The Administrator may order testimony to be taken by deposition in any proceeding or investigation pending before him, at any stage of such proceeding or investigation. Such depositions may be taken before any person designated by the Administrator and having power to administer oaths. Reasonable notice must first be given in writing by the party or his attorney proposing to take the deposition to the opposite party or his attorney of record, which notice shall state the name of the witness and the time and place of the taking of his deposition. Any person may be compelled to appear and be deposed, and to produce books, papers, or documents, in the same manner as witnesses may be compelled to appear and testify and produce like documentary evidence before the Administrator, as hereinbefore provided.

(2) Every person being deposed as herein provided shall be cautioned and shall be required to swear or to affirm to testify to the whole truth, and shall be carefully examined. The testimony shall be reduced to writing by the person taking the deposition, or under his direction, and shall, after it has been reduced to writing, be subscribed by the deponent. All depositions shall be promptly filed with the Administrator.

(3) If a witness whose testimony may be desired to be taken by deposition is in a foreign country, the deposition may be taken, provided the laws of the foreign country so permit, by a person commissioned by the Administrator or agreed upon by the parties by stipulation in a writing to be filed with the Administrator, or may be taken under letters rogatory issued by a court of competent jurisdiction at the request of the Administrator.

Source  
RPPL 5-19 § 10.

**§ 804. Designation of agent for service.**

(a) Designating agents. It shall be the duty of every domestic air carrier and foreign air carrier to designate in writing an agent in the Republic of Palau upon which service of all notices and process and all orders, decisions, and requirements of the Administrator may be made for and on behalf of the domestic air carrier or foreign air carrier, and to file the designation with the Administrator. The designation may from time to time be changed by like writing similarly filed.



(b) Serving agents.

(1) Service of all notices and process and of orders, decisions, and requirements of the Administrator may be made upon any domestic air carrier or foreign air carrier by service upon its designated agent at his office in the Republic of Palau or place of residence in the Republic of Palau with like effect as if made personally upon the domestic air carrier or foreign air carrier.

(2) In default or the absence of an agent, service of any notice or other process in any proceedings before the Administrator, or of any order, decision, or requirement of the Administrator, may be made by posting such notice, process, order, requirement, or decision in the Office of the Administrator.

(c) Service generally. Service of notices, processes, orders and regulations upon any person may be made by personal service or upon an agent designated in writing for this purpose, or by registered or certified mail addressed to the person or agent. Whenever service is made by registered or certified mail, the date of mailing shall be considered as the date when service is made.

**Source**

RPPL 5-19 § 10.

**§ 805. Venue.**

Judicial proceedings under this Title shall be brought in the Trial Division of the Supreme Court.

**Source**

RPPL 5-19 § 10.

**§ 806. Judicial review of orders.**

(a) Availability of judicial review. Any order issued by the Administrator shall be subject to review by the Trial Division of the Supreme Court upon petition filed within sixty (60) days after the entry of the order, by any person disclosing a substantial interest in the order. A petition may be filed beyond sixty (60) days after the entry of an order of the Administrator only with the permission of the Trial Division of the Supreme Court upon a showing of reasonable grounds for failure to file the petition theretofore.

(b) Judicial procedures. The petitioner shall serve a copy of the petition upon the Administrator within 10 days of filing of the petition. The Administrator shall, within 14 days after service of the petition, file in the court the record, if any, upon which the order complained of was entered.

(c) Authority of court. Upon service of the petition upon the Administrator, the Trial Division of the Supreme Court shall have exclusive jurisdiction to affirm, modify, or set aside the order complained of, in whole or in part, and if need be, to order further proceedings by the Administrator. Upon good cause shown and after reasonable notice to the Administrator, interlocutory relief may be granted by stay of the order or by mandatory or other relief as may be appropriate.

(d) Scope of review. The findings of facts by the Administrator, if supported by substantial evidence, shall be conclusive. No objection to an order of the Administrator may be considered by the Trial Division of the Supreme Court unless the objection was urged before the Administrator or, if it was not so urged, unless there were reasonable grounds for failure to do so.

Source  
RPPL 5-19 § 10.

**§ 807. Judicial enforcement.**

(a) Jurisdiction of court. The Trial Division of the Supreme Court shall have jurisdiction to enforce obedience to any provision of this Title, or any regulation, requirement, or order promulgated or issued hereunder, or any term, condition, or limitation of any certificate or permit issued under this Title.

(b) Civil actions to enforce this part.

(1) Where any person violates any provision of this Title, or any regulation, requirement, or order promulgated or issued hereunder, or any term, condition, or limitation of any certificate or permit issued under this Title, the Minister or the Administrator may apply to the Trial Division of the Supreme Court for the enforcement of the foregoing.

(2) Upon the request of the Minister or the Administrator, the Attorney General may institute in the Trial Division of the Supreme Court and prosecute all necessary proceedings for the enforcement of the provisions of this Title or any

regulation, requirement, or order issued or prescribed hereunder, or any term, condition, or limitation of any certificate or permit issued under this Title, and for the punishment of all violations thereof.

(c) Participation of Administrator. The Administrator may participate in any proceeding in court under the provisions of this Title.

**Source**

RPPL 5-19 § 10.

**§ 808. Procedure for civil penalties.**

(a) Civil penalty actions. Any civil penalty imposed or assessed under this Title may be collected by proceedings *in personam* in the Trial Division of the Supreme Court against the person subject to the penalty and, in the case of an aircraft subject to a lien for the penalty, by proceedings *in rem* against the aircraft.

(b) Seizure of aircraft. Any aircraft subject to a lien for a civil penalty may be seized by and placed in the custody of the Administrator. A report of the seizure and the basis therefor shall be promptly transmitted to the Attorney General. The Attorney General shall promptly institute judicial proceedings for the enforcement of a lien against an aircraft seized by the Administrator, or notify the Administrator of his failure to so act. The aircraft shall be released from custody of the Administrator upon:

- (1) payment of the penalty or the amount agreed upon in compromise;
- (2) seizure in pursuance of judicial proceedings *in rem* for enforcement of the lien;
- (3) notice by the Attorney General of failure to institute such proceedings; or
- (4) deposit of a bond in an amount as the Administrator may prescribe, conditioned upon payment of the penalty or the amount agreed upon in compromise.

**Source**

RPPL 5-19 § 10.

**Chapter 9**  
**Air Carrier Economic Regulation**

§ 901. Certificate of public convenience and necessity.

§ 902. Permits to foreign air carriers.

§ 903. Appointment of Administrator.

**§ 901. Certificate of public convenience and necessity.**

(a) Certificate required. No domestic air carrier may engage in any domestic air transportation or foreign air transportation unless there is in force a certificate issued by the Minister pursuant to this section authorizing the domestic air carrier to engage in such transportation. The Minister shall issue a certificate to a domestic air carrier under this section only upon a written determination, following a public hearing and supported by written findings, that the issuance of the certificate will serve the public convenience and necessity. Any interested party may appeal to the Trial Division of the Supreme Court a decision to grant or deny a certificate.

(b) Application for certificate. Application for a certificate shall be made in writing to the Minister and shall be in the form and contain the information as the Minister shall by regulation require.

(c) Terms and conditions of certificate.

(1) Each certificate issued under this section shall specify the terminal points and intermediate points, if any, between which the domestic air carrier is authorized to engage in domestic air transportation or foreign air transportation and the service to be rendered. There shall be attached a statement of the privileges granted by the certificate, or any amendment thereto, and any reasonable terms, conditions, and limitations as the public interest may require.

(2) A certificate issued under this section to engage in domestic air transportation or foreign air transportation (whether or not by charter) shall designate the terminal and intermediate points only insofar as the Minister shall deem practicable, and otherwise shall designate only the general route or routes to be followed.

(d) Authority to modify, suspend, or revoke.

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(1) The Minister may alter, amend, modify, or suspend any certificate issued pursuant to this section, in whole or in part, for failure to comply with any provision of this Title or any order or regulation issued or promulgated hereunder or any term, condition, or limitation of such certificate.

(2) Any interested person may file with the Minister a protest or memorandum in support of or in opposition to the alteration, amendment, modification, suspension, or revocation of a certificate issued pursuant to paragraph (1) of this subsection.

(e) Transfer of certificate. No certificate issued pursuant to this subsection may be transferred unless the transfer is approved in writing by the Minister as being consistent with the public interest.

(f) Liability insurance. The Minister may issue a certificate to the applicant pursuant to this section only if the applicant complies with regulations and orders of the Minister governing the filing of an insurance policy or self-insurance plan approved by the Minister. The policy or plan must be sufficient to pay for bodily injury to, or death of, an individual or for loss of, or damage to, property of others, resulting from the operation or maintenance of the aircraft under the certificate, in amounts to be determined by the Administrator. Noncompliance with this subsection shall void the certificate of public convenience and necessity.

(g) Continuing requirement. The requirement that each applicant for a certificate or any other authority under this Title must be found to be fit, willing, and able to perform safely and properly the domestic air transportation or foreign air transportation covered by its application and to conform to the provisions of this Title and the rules, regulations, and requirements of the Minister under this Title, shall be a continuing requirement applicable to each such domestic air carrier with respect to the transportation authorized by the Minister. The Minister may by order modify, suspend, or revoke such certificate or other authority, in whole or in part, for failure of such domestic air carrier to comply with the continuing requirement that the domestic air carrier be so fit, willing, and able.

Source  
RPPL 5-19 § 11.

### § 902. Permits to foreign air carriers.

(a) Permit required. No foreign air carrier may engage in foreign air transportation

unless there is in force a permit issued by the Minister authorizing the carrier so to engage.

(b) Issuance of permit. The Minister may issue a permit if, after a public hearing, he finds:

(1) that the applicant is fit, willing, and able to properly and safely perform foreign air transportation and to conform to the provisions of this Title, permit conditions, and the regulations and requirements of the Minister hereunder; and

(2) that the applicant is qualified, and has been designated by its government, to perform foreign air transportation under the terms of an agreement with the Republic of Palau, and that the foreign air transportation will serve the public convenience and necessity.

(c) Application for permit. Application for a permit shall be made in writing to the Minister and shall be in the form and contain the information as the Minister shall require.

(d) Permit conditions for the Pristine Paradise Environmental Fee. Each permit issued under this section shall include conditions to assure passenger compliance with section 2703 of Title 40, as determined by the Minister in consultation with the Minister of Finance.

(e) Authority to modify, suspend, or revoke.

(1) The Minister may alter, amend, modify, or suspend any such permit, in whole or in part, for failure to comply with any provision of this Title or any order or regulation issued or promulgated hereunder or any term, condition, or limitation of the permit.

(2) Any interested party may file with the Minister a protest or memorandum in support of or in opposition to the alteration, amendment, modification, suspension, or revocation of a permit pursuant to paragraph (1) of this subsection.

(f) Liability insurance. The Minister may issue a permit to the applicant only if the applicant complies with regulations and orders of the Minister governing the filing of an insurance policy or self-insurance plan approved by the Minister. The policy or plan must be sufficient to pay for bodily injury to, or death of, an individual or for loss of, or

## **AIR CARRIER ECONOMIC REGULATION    8 PNCA § 903**

damage to, property of others, resulting from the operation or maintenance of the aircraft under the certificate, in amounts to be determined by the Administrator. Noncompliance with this subsection shall void the foreign air transportation permit.

(g) Transfer of permit. No permit issued pursuant to this section may be transferred unless the transfer is approved in writing by the Minister as being consistent with the public interest.

(h) Continuing requirement. The requirement that each applicant for a permit must be found to be fit, willing, and able to perform safely and properly the foreign air transportation covered by its permit and to conform safely and properly to the provisions of this Title and the rules, regulations, and requirements of the Minister, shall be a continuing requirement applicable to each foreign air carrier with respect to the transportation authorized by the Minister. The Minister may by order modify, suspend, or revoke a permit, in whole or in part, for failure of such foreign air carrier to comply with the continuing requirement that the foreign permit holder be so fit, willing, and able.

### **Source**

RPPL 5-19 § 11. RPPL 10-42 § 47 amend subsection (b)(1), adds a new subsection (d), former subsection (d) is re-lettered as (e) and amended, and all subsections thereafter re-lettered accordingly..

### **§ 903. Appointment of Administrator.**

The Administrator shall be appointed within one hundred twenty (120) days of the effective date of this Title. The Administrator shall not assume any licensing or enforcement authority under this Title until regulations he has promulgated have become effective and he issues to the President and Olbiil Era Kelulau a notice that he is prepared to assume his authority under this Title.

### **Source**

RPPL 5-19 § 12, modified.

**8 PNCA**

**AERONAUTICS**