

# Reports Are Accepted By COM

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SAIPAN (MNS)—The fifth Congress of Micronesia moved through the day of its second regular session on Saipan Wednesday with final floor action on legislation continuing to be light.

In the house, two bills were filed following reports recommending that action from the Committee on Ways and Means. They are a bill which would authorize municipalities to levy and collect sales taxes and a measure relating to an occupancy tax. Both bills were holdovers from the first regular session last year. Although bills that are filed can be recalled, the action generally means that the legislation is dead.

In both cases, the bills were filed because the feeling of the committee was that the taxation powers in question should be in the hands of the district legislature. One bill would have given to the municipalities a tax option now available only to the districts. The other bill, which would have levied a 50-cent transient occupancy tax to generate more revenue from tourism, was determined to cover an area of taxation better left to the districts than the congress.

In the senate, the primary concern continued to be TransPacific Lines. Sen. Olympio Boja of Marianas, in moving for the adoption of the joint house and senate Resources and Development Committee report he presented earlier in the week, again voiced his concern about the condition of TransPac, saying he agrees with Yap Sen. John Mangefel that it is time to let TransPac sink.

This prompted Sen. Edward Pangelinan of Marianas who is an attorney, to express his feeling that before any action is taken regarding TransPac, all of the legal implications should be fully understood.

"We are caught in a very serious dilemma here," Pangelinan said. "I think the administration should let us know just how serious this problem is." He added that he is concerned that the government of Micronesia, which includes the Congress of Micronesia, not get into a position of being liable for compensation or damages if the decisions on TransPac are wrong.

Senate Vice President Lazarus Sali of Palau replied, saying: "The legal problem is one of the reasons it is difficult to come with a quick solution..." to the TransPac problem. He said the leadership is seeking a meeting with the High Commissioner to discuss the question.

Senate President Tosiwo Nakayama of Truk then announced that such a meeting is scheduled to take place next week. He also revealed that officials of TransPac have asked for time to come before the congress to respond to the joint committee report and charges made in the past few days. He did not say whether such a meeting will be held.

Capping the TransPac discussion was Sen. Bailey Olter of Ponape who reminded his colleagues that the congress never had any part in granting a franchise to MILI/TransPac, and that he was against the congress giving its approval to any such arrangement from the beginning.

"I want it to be clear to the public that the congress had no say in the creation of MILI or TransPac," said Olter, adding "...and now it is a real mess." The joint committee report, which recommends the immediate termination of the TransPac franchise, was adopted without opposition.

The report of the board of directors of the Bank of Micronesia, presented in the house Tuesday, was presented to the senate for consideration by Sen. Amata Kabua of the Marshalls. Noting that the report have "far-reaching implications," he said:

"The report...contains a plan of action for the establishment of a Micronesia Development Bank. The proposed enabling legislation to accomplish this objective will be submitted at a later date.

New legislation introduced in the senate included three joint resolutions and bills. One of the resolutions, which was passed on the calendar and adopted immediately, expressed the congratulations and best wishes of the congress and the people of Micronesia to the people of Papua New Guinea on their achievement of self-government and their pending independence. The other joint resolution would direct the Joint Committee on Future Status to study the possibilities of economic and development assistance from nations of the Pacific region and ratify their position taken by the Joint Committee on Law of the Sea regarding Micronesia. Another representation in the international conference on the law of the sea in Venezuela

The bills include: A measure providing for a board of utility rates; establishment of an inter-district student exchange program in Micronesia; an appropriation of \$184,000 to complete two public projects of the Marshall Islands, the paving of the Laura Road and a 900-foot extension of the Majuro airfield; a bill to prohibit false or malicious reporting of crimes or fires; a measure relating to the appointment of guardians for minors or incompetents by the land commissions; an appropriation of \$28,000 dollars to purchase school buses for Moen and Dublon Islands in Truk District and six naturalization measures. Six new bills and three joint resolutions were introduced in the house. Four of the bills are appropriation measures of \$60,000 for seawalls in Truk; \$125,000 for road construction, \$160,000 for public projects in certain municipalities in Ponape and Ujae and Kolonia, Net and Ujae on the calendar and adopted immediately, expressed the congratulations and best wishes of the congress and the people of Micronesia to the people of Papua New Guinea on their achievement of self-government and their pending independence. Territory and a bill relating to the distribution of revenues.

The house joint resolutions include a measure commending the possibilities of economic and development assistance from nations of the Pacific region and ratifying their position taken by the Joint Committee on Law of the Sea regarding Micronesia. Another representation in the international conference on the law of the sea in Venezuela in the Fiscal 1975 budget summer.