

# Marshalls To Hold Own Status Talks

SAIPAN (COM) — Marshalls Rep. Ataji Balos has told the Congress of Micronesia the Marshalls will begin separate future status negotiations with the United States because the congress failed to enact a tax revenue sharing measure the Marshallese wanted.

Balos read the statement from a letter after a 10-10 vote March 1 defeated efforts to pass legislation which would have returned 50 per cent of all tax revenue to the districts where it was collected.

Another representative of the Marshalls, Charles Domnick, attempted repeatedly to bring the revenue measure to a vote. His attempts were repulsed three times in three days, effectively killing the measure with a single day remaining in the COM session.

Revenue sharing legislation has been an issue in the house of representatives since the matter first was proposed after the Congress of Micronesia enacted its first income tax law in 1971. Revenue from the Marshall Islands District, including taxes from the Kwajalein Missile Range, generate more than 50 per cent of the total taxes

collected in all six districts of the TT.

During Saturday's session after a secret ballot, Rep. Domnick succeeded in placing the measure on the bill calendar, but before a vote could be taken, opponents of the measure moved for a recess until Sunday. That motion was carried by voice vote.

Before adjournment, however, Truk Rep. Raymond Setik spoke against the revenue sharing proposal, at least at the present time. Noting that his committee on appropriations has viewed "with great concern" the audit report of operations of the district legislatures, Setik said "it is clearly too early to suddenly burden them with additional fiscal responsibilities."

Setik added that the district legislatures should seek other potential areas of local taxation, and as they increase their ability to handle the funds, "this congress will be able to favorably consider such legislation."

Palau Rep. Polycarp Basilius, however, urged the house to pass the bill, saying the Marshalls district has been asking for the revenue sharing

bill the past three years.

"I don't want to fail to listen to the request made by the people of the Marshalls," he said. "I urge that the members of the house support the passage of this bill to satisfy one of our districts which, in turn, I think will help to develop their islands more efficiently and much faster."

Attempts on the third day to have the bill voted upon proved equally frustrating for the Marshalls delegates.

Truk Rep. Sasauo Haruo suggested that instead of acting on the bill, a special committee to study it should be appointed. Haruo said he would support the bill if hearings and testimony clearly showed a majority in the six districts favored it, adding he felt it would not be in anyone's interests to yield to pressure from one or two districts to enact legislation which would affect all districts.

"But to continue to debate this issue," he said, "is to encourage a disunity which is bound to engulf us and may do untold harm to our aspirations for future self-government and self-determination."

Before the bill could be

islands in the Marshalls. I know," he said, "the direction to which we will be moving will be a very drastic one."

House floor leader Ekpap Silk of the Marshalls also endorsed his delegation's position and thanked members of the Marianas and Palau delegations who supported the measure.

brought to a vote, Yap Rep. Luke Tman moved to defer action until the end of the day's calendar. A third secret vote was called, and the motion to defer action carried. According to Domnick, the move was a way to sidestep the issue since there was only one day remaining in the session.

Following the vote, Domnick angrily told his colleagues: "I would like to express my sincere gratitude to the other delegations who supported us, and I would also like to thank the rest of the house of representatives for making the decision that would have haunted every leader in the Marshalls who is working on the separation movement."

"You have made up our minds," declared Domnick, "and we would like to thank you for that."

Balos supported Domnick's statement, indicating he feels it "is very bad to see the congress turn down the desires and the wishes of our brothers and sisters of other districts."

Marshalls Rep. John Heine concurred, indicating he wanted it to be on record that "today it is going to be very bad and sad, even in the history of our