

FORTY-EIGHTH DAY

Saturday, March 1, 1975

The House of Representatives of the Sixth Congress of Micronesia, First Regular Session, 1975, was called to order at 10:40 a.m., Saturday, March 1, 1975.

Speaker Bethwel Henry presided.

A moment of silent prayer was observed.

The Chief Clerk called the roll, and all members were present.

COMMUNICATIONS

High Commissioner Communication No. 6-40, relating to the signing of H.B. No. 6-6, appropriating \$30,000 for agricultural programs in Ponape as Public Law 6-1.

High Commissioner Communication No. 6-41, transmitting a proposed bill relating to land acquisition.

Departmental Communication No. 6-13, from Director of Public Affairs, transmitting a status report on funds under Public Law 5-68 for November 5, 1974 General Election.

Senate Communication No. 6-96, returning H.J.R. No. 6-39, H.D.1, with S.D.2, requesting the High Commissioner to seek U.S. Federal Airport money for Palau District.

Senate Communication No. 6-97, returning H.J.R. No. 6-50 with S.D.1, requesting the High Commissioner to seek funds for installation of runway lights for Goding Field on Babelthuap Island, Palau District.

Senate Communication No. 6-98, transmitting S.J.R. No. 6-11, S.D.1, urging the Department of Health Services to take immediate steps to attain reaccreditation for the T.T. School of Nursing.

Senate Communication No. 6-99, transmitting S.B. No. 6-140, S.D.1, relating to a pilot plant using lateritic and other soil deposits.

Senate Communication No. 6-100, transmitting S.B. No. 6-20, S.D.1, relating to a program for national health insurance.

Senate Communication No. 6-101, transmitting S.B. No. 6-84, S.D.1, to provide for the orderly and protected distribution of mail to the outer islands of Micronesia.

No Miscellaneous Communications were reported.

STANDING COMMITTEE REPORTS

Standing Committee Report No. 6-100, submitted by the Committee on Resources and Development, re H.J.R. No. 6-56, "Authorizing the High Commissioner to accept a grant offer for the preparation of an Airport System Plan for the Trust Territory of the Pacific Islands, from the Federal Aviation Administration, United States Department of Transportation."

Chairman Haruo moved for adoption of the report; Floor Leader Tman seconded, and the motion carried by voice vote.

Standing Committee Report No. 6-110, submitted by the Committee on Appropriations, re H.B. No. 6-281, "To appropriate the sum of \$25,000 from the General Fund of the Congress

of Micronesia for the purpose of updating the voter registration lists in all districts, and for other purposes."

Chairman Setik moved for adoption of the report; Floor Leader Tman seconded.

Rep. Rasa: Mr. Speaker, due to limited funds, I understand the districts have their own people who work on registration. Why should we appropriate \$25,000?

Rep. Setik: In the U.S. Grant Funds, every other year there has been about \$25,000 appropriated for updating of registration of the entire Trust Territory. As a result of the budget constraints, that allocation is no longer in the T.T. budget. In order to have the proper records of all registered eligible voters, I think this particular bill is very important. Experience that this Congress has had, particularly in my district, shows the necessity for this. I think the passage of this measure is very much needed now, and I think it is worthwhile putting this money into this useful purpose.

Rep. Aafin: There is nothing wrong with the situation in Truk. The thing wrong is that there are no people working on the registration. They take a man whose job is something else and tell him to do the registration work. I do not believe the need in Truk is for this purpose--they need the people.

Rep. Rudimch: Mr. Speaker, I wonder if we can defer the action of appropriating this money until next year. I so move.

Representative Aafin seconded, and the motion was lost on a voice vote. A division of the House was requested.

The motion to defer action until next year was lost on a show of hands.

Rep. Aafin: I move to defer action on the measure.

Speaker Henry: That motion is not in order. We have just voted on a motion to defer action.

Vice Speaker Silk moved for the previous question; Representative Setik seconded, and the motion carried by voice vote.

The motion to adopt Standing Committee Report No. 6-110 carried on a voice vote.

Standing Committee Report No. 6-112, submitted by the Committee on Education and Social Matters, re S.J.R. No. 6-4, S.D.1, "Urging the Secretary of the Department of Health, Education and Welfare to provide funding for a ~~year~~ yearlong Head Start Program in Yap District."

Chairman Sigrah moved for adoption of the report; Representative Bigler seconded, and the motion carried by voice vote.

Standing Committee Report No. 6-113, submitted by the Committee on Judiciary and Governmental Relations, re H.J.R. No. 6-86, "Requesting the High Commissioner and the Joint Committee on Program and Budget Planning of the Congress of Micronesia to make budgetary allowances for the development of Woleai Atoll, Yap District, as a subdistrict beginning in Fiscal Year 1976 and to make budgetary provisions of a subdistrict hospital and other capital improvement projects on said atoll."

Chairman Basilius moved for adoption of the report; Representative Domnick seconded, and the motion carried by voice vote.

Standing Committee Report No. 6-114, submitted by the Committee on Appropriations, re H.J.R. No. 6-75, "Requesting the High Commissioner and the Joint Committee on Program and Budget Planning to make funds available to construct a hospital in the Mortlock Islands subdistrict center, Truk District."

Chairman Setik moved for adoption of the report; Floor Leader Tman seconded, and the motion carried by voice vote.

Standing Committee Report No. 6-115, submitted by the Committee on Judiciary and Governmental Relations, re H.B. No. 6-157, "To amend Title 61 of the Trust Territory Code relating to the Trust Territory Merit System by adding a new paragraph, to be designated "Paragraph (p)", to Subsection (1) of Section 9, and for other purposes."

Chairman Basilius moved for adoption of the report; Floor Leader Tman seconded, and the motion carried by voice vote.

Standing Committee Report No. 6-116, submitted by the Committee on Appropriations, re H.R. No. 6-14, "Requesting the Joint Program and Budget Committee to specify the budget allocations set aside for Rota and Tinian in the Mariana Islands District."

Chairman Setik moved for adoption of the report; Vice Speaker Silk seconded, and the motion carried by voice vote.

Standing Committee Report No. 6-117, submitted by the Committee on Education and Social Matters, re S.B. No. 6-97, "To amend Subsection (3) of Section 7 of Public Law No. 5-37 relating to the High Commissioner's Special Order No. 9 establishing the Angaur Housing Authority, and for other purposes."

Chairman Sigrah moved for adoption of the report; Vice Speaker Silk seconded, and the motion carried by voice vote.

Standing Committee Report No. 6-118, submitted by the Committee on Ways and Means, re H.B. No. 6-155, "To amend Section 258 of Title 77 of the Trust Territory Code as amended by Public Law No. 4C-2 and further amended by Public Law No. 5-26, to allow a tax deduction on scholarship and fellowship grants, and for other purposes."

Chairman Moses moved for adoption of the report; Floor Leader Tman seconded, and the motion carried by voice vote.

Standing Committee Report No. 6-119, submitted by the Committee on Health Matters, re H.J.R. No. 6-55, "Respectfully requesting the Director of the Department of Health Services to give patients, who are sent to Guam for treatment and stay with relatives instead of at the Micronesian Hotel, the money which would have been allowed them if they had stayed at the Micronesian Hotel."

Chairman Nakamura moved for adoption of the report; Floor Leader Tman seconded, and the motion carried by voice vote.

Standing Committee Report No. 6-120, submitted by the Committee on Judiciary and Governmental Relations, re H.B. No. 6-219, "To provide a new Base Salary Schedule pursuant to Subsection (1) of Section 10 of Title 61; to establish new and revised policies and standards with respect to the compensation of employees covered by Title 61; to provide for the implementation of the revised salary plan; and for other purposes."

Chairman Basilius moved for adoption of the report; Floor Leader Tman seconded, and the motion carried by voice vote.

Standing Committee Report No. 6-121, submitted by the Committee on Education and Social Matters, re S.B. No. 6-40, S.D.1, "To amend subsection (3)(a) of Section 6 of Public Law 5-37, relating to interest rates on loans made from funds borrowed by the Territorial Housing Commission or District Housing Authority from commercial financial institutions."

Chairman Sigrah moved for adoption of the report; Floor Leader Tman seconded, and the motion carried by voice vote.

Standing Committee Report No. 6-122, submitted by the Committee on Education and Social Matters, re H.J.R. No. 6-57, "Expressing appreciation to the Girl Scouts of the United States of America for ten years of service to Micronesia."

Chairman Sigrah moved for adoption of the report; Floor Leader Tman seconded.

Rep. Domnick: May I ask the introducer of the motion if there is anything that the Girl Scouts have done that we should be appreciative of?"

Rep. Bigler: I think there are a lot of things for which we should be proud of the Girl Scouts organization in Micronesia.

Vice Speaker Silk moved for the previous question; Representative Domnick seconded, and the motion carried by voice vote.

The motion to adopt Standing Committee Report No. 6-123 carried by voice vote.

Standing Committee Report No. 6-123, submitted by the Committee on Appropriations, re H.B. No. 6-196, "To appropriate the sum of \$48,650 from the General Fund of the Congress of Micronesia for Territory-Wide Aging Program for matching funds as required by the Older Americans Act of 1965, as amended, and for other purposes."

Chairman Setik moved for adoption of the report; Floor Leader Silk seconded, and the motion carried by voice vote.

Standing Committee Report No. 6-124, submitted by the Committee on Appropriations, re H.B. No. 6-197, "To appropriate the sum of \$351,477 from the General Fund of the Congress of Micronesia for the purpose of defraying expenses of the Micronesian Constitutional Convention and for the purpose of defraying the expenses of the district delegations, and for other purposes."

Chairman Setik moved for adoption of the report; Floor Leader Tman seconded, and the motion carried by voice vote.

Representative Domnick moved for a short recess; Vice Speaker Silk seconded, and the Speaker declared the House recessed at 11:05 a.m., subject to the call of the Chair.

The House reconvened at 11:10 a.m.

Rep. Domnick: Mr. Speaker, I would like to make an oral report.

Speaker Henry: You have the Floor.

ORAL REPORT ON H.B. NO. 6-223

Rep. Domnick: Mr. Speaker, your Committee on Appropriations, to which was referred House Bill No. 6-223, "To appropriate the sum of \$500,000 from the General Fund of the Congress of Micronesia as a grant to the Marshall Islands Development Authority, Marshall Islands District, for the improvement and development of copra production, and for other purposes," begs leave to report as follows:

Your Committee is in full accord with the intent and purpose of the bill, but due to budgetary constraints of the Congress of Micronesia, the Committee has amended the bill as follows:

In line 1 of the title, delete the figure "\$500,000" and insert "\$400,000"

In line 1 of the bill, delete the figure "\$500,000" and insert "\$400,000"

The Committee thinks that this is one of the major improvements in economic development

in Micronesia. Therefore the Committee is in full accord with the intent and purpose of the bill. The reason for agreeing with this measure is because the major commodity that the Trust Territory exports is copra. With the declining of export from major producing nations, Micronesia faces the possibility of no market for the one product that we have--copra. With the construction of a copra processing plant, we are assured of a market for all our T.T. copra. Because the oil is in demand and will continue to be in demand, whereas the copra will no longer be in demand, because there is no reason for the big companies to keep the crushing mills open for a small amount like 12,000 revenue tons a year. Your Committee, therefore, is in accord with the intent and purpose of the bill as amended and recommends that it pass Second and Final Reading.

Mr. Speaker, I move for adoption of the report.

Vice Speaker Silk seconded the motion.

Floor Leader Tman moved to suspend the rule requiring written reports; Representative Domnick seconded, and the motion carried by voice vote.

Rep. Moses: Mr. Speaker, I have a question regarding the nature of the Marshall Islands Development Authority. Is that a government organization?

Rep. Domnick: The Marshall Islands Development Authority is a government corporation created by the Marshall Islands Nitijela.

Rep. Moses: Is the interest in that company owned by private concerns?

Rep. Domnick: There is no private concern. The Nitijela created the Authority, and there is no private investment whatsoever in the Marshall Islands Development Authority.

Rep. Rudimch: Mr. Speaker, is this part of the Marshallese program to market their own copra, separate from the rest of the Micronesian copra?

Rep. Domnick: The reason why we want to build this plant is to cater to all Trust Territory copra.

Rep. Edwards: I am just curious about the report when it says that the Marshall Islands Development Authority will buy all the copra from the Trust Territory. I think we already created an authority that will do that--the Copra Processing Authority. Are they in conjunction with each other?

Rep. Domnick: The Coconut Processing Authority is a creation of the Congress. They had a meeting last October or November (I stand to be corrected on the date) in Ponape. This processing authority concerned itself with dessicated coconut--the making of buttons from coconut shells, looking into the possibility of charcoal from coconut shells. In other words, they take everything from the coconut except the major thing which is copra. So the concern we have now is if we let this go--we have made a study which I will submit to the Speaker-- it will take at least two years from the date of purchasing the equipment until starting up, which means that if we place the order this year, it will take two years to have the processing plant in order.

It requires more money than the \$400,000 requested here, but we have been promised other sources of funds from the Nitijela and from the Executive Branch. But if we don't go into this now, and we wait two years or three years--I have a report from the Asian Coconut Community which specifies that every nation is exporting 20 percent less every year. So in the year 1980, nobody will be exporting copra. As a result, the only crusher that is open to Micronesian copra, which is in Japan, might face the possibility of closing. If they don't have the Philippine copra, they can mill the Trust Territory copra in 24 hours. There is no sense to open a big crusher to handle one day's work per year. We are faced with this possibility. Our copra will be exported for five years, but we will be at the mercy of anybody who is willing to buy it.

Rep. Guerrero: I would like to ask if this is a profit-making venture. If it is, who pockets the profits realized from this business.

Rep. Domnick: Mr. Speaker, since the copra processing will be by the government, in our own processing plant, we will determine what is realized by exporting oil and then that will reflect on the price of the copra within the Trust Territory. In other words, there is no reason why this thing should be making profit. All the profit it makes will be going back to the price of copra. If we purchase copra from individuals in the outer islands, the price of copra will reflect it. There is the need to pay the expenses of the operation and then all the money that is realized will go back to the copra producers.

Rep. Guerrero: I take it you mean that the money generated--the profit generated from this business will go back. It will be reflected on the price of copra in each district. Therefore, this venture actually does not make profit, other than to maintain the machinery. Is this correct?

Rep. Domnick: Yes, to maintain the machinery, to pay for the employees, and probably set aside some funds for expansion or renewal of parts, etc.

Rep. Nakamura: Point of information: Since this venture deals with economic development of major scale, I wonder if it has been referred to Resources and Development Committee for study as well as the Administration--an actual feasibility study?

Rep. Domnick: The Marshall Islands Development Authority paid \$10,000 for this report which includes a feasibility study. We approached the Executive Branch, and the Executive Branch, from seeing this, wants another feasibility study and wants the Copra Stabilization Board to fund \$30,000 of that, into another feasibility study. We have already paid for this study, and there are nine cases in here of what will happen in different circumstances.

Rep. Mafnas: Mr. Speaker, point of information: What is the total cost of this project--the total from the Congress here and the Marshall Islands Nitijela and the Executive Branch?

Rep. Domnick: The total cost of this, from the beginning, including the training of the people to run this machinery etc., and including the installation, will be about \$2.5 million. The Marshall Islands Nitijela will have to come up with a million dollars. The Executive Branch pledges to put in one million dollars in their annual budget for this purpose.

Vice Speaker Silk: Mr. Speaker, we also intend to buy copra from all over Micronesia--the T.T.--and as my colleague said, this is the initial request and we intend to seek other sources. As he said, this project costs over two million dollars, and we are not asking all of it, but we are asking for the initial stage.

Rep. Edwards: I presume by the time we vote for this measure, we will not be able to see the report that will come out. The motion was to suspend the rule on duplication. My question is, how can we see the supporting documents from Japan and all this before we cast an intelligent vote? Therefore, Mr. Speaker, I move to defer action until this evening.

Representative Bigler objected.

Rep. Guerrero: I want to ask: Since the profit that will be realized from this venture will be an ongoing thing--it goes round and round--I wonder how the profit will be reflected in the purchasing of copra. Will you explain that Congressman Domnick?

Rep. Domnick: Mr. Speaker, the machinery for purchasing copra, etc., has not been established yet, but we entertain the idea of a three-month period--one set price for three months. If the export of the oil brings in more money, the price of copra will reflect it. If the export of oil goes down, then the price will go down.

Rep. Rudimch: Mr. Speaker, as much as I would like to support this kind of program in

Micronesia, it seems to me that there is a lack of coordination. In Palau District, we have a chartered corporation called Micronesian Industrial Corporation, which also wanted to buy copra from other districts. The budget is \$2.5 million, and they have a bank guarantee to start. The only problem is the site to locate this plant. It doesn't require any funds from the government or the Congress. This company has a prefabricated building and has already made plans that it can be transported to the site in 12 months and ready for operation. It will only require 50 people to run the plant. Because of the inadequate quantity of copra in Micronesia, they also have contacted countries outside the Trust Territory to supply the plant. It seems to me there would not be enough copra in the Trust Territory if we don't have coordinated planning. Here comes another plant which needs almost a half million dollars financial assistance. To me--wait for the written report and study it, and then we can discuss the issue at a later date.

Floor Leader Tman: May I ask that discussion be confined to the oral report presented by Representative Domnick.

Speaker Henry: Yes, we are discussing the oral report.

The motion to adopt the oral report by Representative Domnick on House Bill No. 6-223 carried by voice vote.

ASSIGNMENT OF MEASURES

The Clerk called attention to Referral Sheet No. 32 attached to the Order of the Day for the assignment of measures introduced on Friday, February 28, 1975. The following Senate measures were also assigned:

S.J.R. No. 6-11, SD1:

Assigned to: Health Matters

Urging the Department of Health Services to take immediate steps to ~~attain reaccreditation for~~ assure the awarding of degrees to 1975 graduates of the Trust Territory School of Nursing.

S.B. No. 6-140, SD1:

Assigned to: Resources and Development

To direct and authorize the High Commissioner to enter into a franchise agreement with Drostholm Products AS of Vedbaek, Denmark, for the right to construct and operate a pilot plant in Micronesia for the purpose of utilizing lateritic and other soil deposits needed in the "LATOREX" process; to appropriate funds therefor; and for other purposes.

S.B. No. 6-20, SD1:

Assigned to: Health Matters/Appropriations

Providing for the submission of a program for national health insurance.

S.B. No. 6-84, SD1:

Assigned to: Education and Social Matters

To provide for the orderly and protected distribution of mail to the outer islands of Micronesia, and for other purposes.

H.J.R. No. 6-39, HD1, SD2:

Assigned to: Resources and Development

Requesting the High Commissioner of the Trust Territory to seek and to accept United States Federal airport money under the Federal Aviation Act of 1958 to upgrade and improve ~~both~~ Palau International Airport in the Palau District.

UNFINISHED BUSINESS

H.B. No. 6-133: To appropriate the sum of \$60,000 from the General Fund of the Congress of Micronesia to carry out the provisions of Public Law No. 5-106 relating to programs on unity of Micronesia, and for other purposes. (deferred from February 24, 1975.)

Representative Setik moved for passage of H.B. No. 6-133 on Second Reading; Vice Speaker Silk seconded, and the Chief Clerk read the title. The motion carried by roll call vote of twenty ayes; Representative Bigler voted no.

Standing Committee Report No. 6-104, submitted by the Committee on Resources and Development, re H.B. No. 6-237, "To appropriate the sum of \$300,000 from the General Fund of the Congress of Micronesia to supplement the funds appropriated under Public Law No. 5-72, and for other purposes." (deferred from yesterday's calendar.)

Chairman Haruo moved for adoption of the report; Vice Speaker Silk seconded, and the motion carried by voice vote.

Special Committee Report No. 6-12, submitted by the Joint Committees on Future Status and Resources and Development, re Trade, Investment, and Economic Assistance for Micronesia from Japan, Korea and the Republic of the Philippines. (deferred from February 14, 1975.)

Vice Speaker Silk moved for adoption of the report; Floor Leader Tman seconded, and the motion carried by voice vote.

BILL CALENDAR

H.B. No. 6-157, HD1: To amend Title 61 of the Trust Territory Code, as amended by Public Law No. 5-67, relating to the Trust Territory Merit System by adding a new paragraph, to be designated "Paragraph (p)", to Subsection (1) of Section 9, and for other purposes.

Representative Basilius moved for passage of H.B. No. 6-157, H.D.1, on First Reading; Vice Speaker Silk seconded, and the Chief Clerk read the title. The motion carried by voice vote.

H.B. No. 6-155, HD1: To amend Section 258 of Title 77 of the Trust Territory Code as amended by Public Law No. 4C-2 and further amended by Public Law No. 5-26, to allow a tax deduction on scholarship and fellowship grants, and for other purposes.

Representative Moses moved for passage of H.B. No. 6-155, H.D.1, on First Reading; Floor Leader Tman seconded, and the Chief Clerk read the title. The motion carried by voice vote.

H.B. No. 6-219, HD1: To provide a new Base Salary Schedule pursuant to Subsection (10) of Section 10 of Title 61; to establish new and revised policies and standards with respect to the compensation of employees covered by Title 61; to provide for the implementation of the revised salary plan; and for other purposes.

Representative Basilius moved for passage of H.B. No. 6-219, H.D.1, on First Reading; Vice Speaker Silk seconded, and the Chief Clerk read the title. The motion carried by voice vote.

H.B. No. 6-197, HD1: To appropriate the sum of ~~\$351,477~~ \$253,764 from the General Fund of the Congress of Micronesia for the purpose of defraying expenses of the Micronesian Constitutional Convention and for the purpose of defraying the expenses of the district delegations, and for other purposes.

Representative Setik moved for passage of H.B. No. 6-197, H.D.1 on First Reading; Floor Leader Tman seconded, and the Chief Clerk read the title. The motion carried by voice vote.

H.B. No. 6-230: To appropriate the sum of \$65,000 from the General Fund of the Congress of Micronesia to construct a reefer facility in Peleliu Municipality, Palau District, and for other purposes.

Representative Haruo moved for passage of H.B. No. 6-230 on First Reading; Vice Speaker Silk seconded, and the Chief Clerk read the title. The motion carried by voice vote.

H.B. No. 6-290: To provide for the establishment of the Mariana Islands Airport Authority and for other purposes.

Representative Haruo moved for passage of H.B. No. 6-290 on First Reading; Floor Leader Tman seconded, and the Chief Clerk read the title. The motion carried by voice vote.

S.B. No. 6-40, SD1: To amend subsection (3)(a) of Section 6 of Public Law 5-37, relating to interest rates on loans made from funds borrowed by the Territorial Housing Commission or District Housing Authority from commercial financial institutions.

Representative Sigrah moved for passage of S.B. No. 6-40, S.D.1, on First Reading; Vice Speaker Silk seconded, and the Chief Clerk read the title.

Rep. Edwards: As I understand the program of low-cost housing in the Trust Territory, it is to provide people with low-income houses. I feel that if we increase the interest rates on these low-cost houses, we are defeating the purpose of low-cost housing. From my own study of the proposed increase, on a \$7,000 loan, it will cost at least \$400 more, over the original cost. Therefore, Mr. Speaker, I think if we pass this on First Reading, we are defeating the purpose of the Housing Authority in the Trust Territory.

Rep. Aafin: I tend to agree with my colleague from Ponape, and so I move to defer action on the measure.

Representative Edwards seconded, and the motion carried by voice vote.

H.B. No. 6-97: To amend Subsection (3) of Section 7 of Public Law No. 5-37 relating to the High Commissioner's Special Order No. 9 establishing the Angaur Housing Authority, and for other purposes.

Representative Sigrah moved for passage of H.B. No. 6-97 on First Reading; Representative Bigler seconded, and the Chief Clerk read the title. The motion carried by voice vote.

H.B. No. 6-281: To appropriate the sum of \$25,000 from the General Fund of the Congress of Micronesia for the purpose of updating the voter registration lists in all districts, and for other purposes.

Representative Setik moved for passage of H.B. No. 6-281 on Second Reading; Floor Leader Tman seconded, and the Chief Clerk read the title.

Representative Sigrah moved for a short recess; Vice Speaker Silk seconded, and the Speaker declared the House recessed at 11:40 a.m., subject to the call of the Chair.

The House reconvened at 11:50 a.m.

Speaker Henry: Is there any discussion on House Bill No. 6-281?

Representative Rudimch: I would like to offer some amendments.

Representative Rudimch offered the following amendments:

In line 1 of the title, delete the figure "\$25,000" and insert "\$3,000" in lieu thereof. In line 2 of the bill, delete the figure "\$25,000" and insert "\$3,000" in lieu thereof. In line 4, delete the words "all districts" and insert "Truk District"

Rep. Rudimch: Mr. Speaker, that's all.

Speaker Henry: Representative Rudimch, are you proposing an amendment. You have just submitted an amendment, but it is not in order.

Speaker Henry declared the House recessed at 11:55 a.m. subject to the call of the Chair. The House reconvened at 11:56 a.m.

Representative Aafin moved to adopt Representative Rudimch's amendment; Representative Rudimch seconded.

Rep. Edwards: I would like to say that the reason for House Bill No. 6-281 is because the registration in Ponape has been done by the Chief Magistrate only.

Rep. Moses: I want to call attention to the bill where it says "for the purpose of updating." It does not imply that certain areas need registration of voters. It only calls for updating registration lists.

Speaker Henry: In my district in Ponape last election, several people already dead were on the registration list.

Rep. Rudimch: Mr. Speaker, in all the districts there is a Public Affairs Officer working eight hours a day, and just to update the records is not going to take \$25,000.

Vice Speaker Silk: That is true, but my district is so spread out that we need to go out to the outer islands to find out if in fact the people have died and should be off the lists. My people certainly need money to update the registration list.

Floor Leader Tman: To allow proper discussion on the proposed amendment, I move to suspend the rule on duplication.

Vice Speaker Silk seconded, and the motion carried by voice vote.

Rep. Haglelgam: I think we need the money in Yap to update the registration.

Rep. Aafin: Mr. Speaker, I know the style that the people in Public Affairs use when they go out to the outer islands. They go out for the purpose of registration work, but they just go out and collect shells and do other things and do not do the work. I do not believe that we need the money for the registration work. I believe we need the money for outer island development. Let's not appropriate money for registration, but let's tell the people in Public Affairs to do the work.

Rep. Albert: Mr. Speaker, in Truk we need that money because we have only one person working in our Public Affairs office.

Floor Leader Tman: Mr. Speaker, I don't think it is just to implicate the whole Public Affairs staff. I used to be one of them, and when I would go out to the outer islands it wasn't to collect shells. Maybe they do that in Truk, but not in Yap and other districts.

Vice Speaker Silk: I would like to say that we should not blame the Public Affairs people, because there are not many of them. I used to be one of them, and I used to prepare the registration list. I know it costs a lot of money at times, so this is to help them. The information will also be used by the municipality in conducting its own election.

Speaker Henry: The Chair thought Representative Aafin was joking when he criticized the Public Affairs people because he said these Micronesians were collecting shells.

Rep. Haruo: Mr. Speaker, I think we do have the election laws. Perhaps one of the reasons that prompted this legislation to appropriate money to update the registration was because of those people who were supposed to administer the laws are not doing their jobs. I wonder, Mr. Speaker, if we should develop any approach to perhaps direct those people responsible for the administration of the election laws. In this instance, I think the updating of the registration of eligible voters could still be undertaken by those people who currently occupy those positions in the district.

Rep. Rasa: Mr. Speaker, I think the problem of updating registration is not a problem of money. It is a problem of efficiency, and money alone will never improve or update the registration. We have capable people in the districts, and it is a matter of their doing the work. This is a matter of \$25,000.

Rep. Mafnas: I believe we can never update any voter registrations because from here on until next year, we will expect people to die, and we cannot really update the registration.

Speaker Henry: The motion is to amend. Is there any further discussion on the motion to amend?

Rep. Setik: I would like to speak against the amendment. The reason is because I am sure every district needs to be updating their registration of eligible voters. It is not a question of money. It is a question of the importance of the election which we expect a year from November. It is going to be conducted in 1976, and we don't do it right, it is going to be the same situation as happened last year.

Rep. Haruo: I think it is not the question of lack of money. We do have the personnel responsible for registering the people's names. It is a question of efficiency and productivity of those people already installed in these various offices in the districts. I don't think it is a matter of acquiring money. These people are on the payroll, and they should be doing all of this work.

Floor Leader Tman: I think it was pointed out earlier by the Chairman of the Appropriations Committee that the \$20,000 request to update the voter registrations contained in the T.T. budget request was deleted by the Interior. Consequently, we need the money to update our election registration.

Rep. Rudimch: Mr. Speaker, I cannot help but discuss the monetary aspect of this. We have to know how they arrived at \$25,000, and also we have to know the districts which have the acute problem of updating the registration--and then perhaps we can accommodate those districts and still be able to save some of the money appropriated under this bill.

Speaker Henry: Are you discussing this amendment?

Rep. Rudimch: No, I am just offering this because maybe we should offer \$3,000 to update the registration in Truk, and still I have a reservation on that because if the people are not capable, no matter how much money we give them, they are still not going to do a good job on the registration. But I think they have the expertise to do this. It is just a question of not doing it.

Rep. Domnick: I am a bit confused about the proposed amendment and the questions raised by my colleague, Congressman Rudimch. He said, "how did we arrive at the figure \$25,000?" I think he can answer that himself, because he signed the report.

Rep. Rudimch: Mr. Speaker, I have asked the people, and they say \$3,000 is enough to update the registration list in Truk, so this is why I offer that amendment.

Rep. Aafin: Mr. Speaker, thank you for helping me retract my statement with respect

to collecting shells by the people in Public Affairs. But I still believe we do not need the money for updating our registration. In Truk, we need the staff to do the work. And the Distad of Truk has already made plans with the Personnel Department at Headquarters to expand the staff to do the registration. I don't believe that we need the money. Again, I say I will ask the Appropriations Committee to look into my appropriations bill and see if they can put \$25,000 in one of my bills instead of giving it to work on registration.

Vice Speaker Silk: Mr. Speaker, my district, as I said, will need this money. It is spread over a big area. In the Public Affairs Office at the moment there are five employees. Now it is true that we need the money. The way we have been doing it is to hire the Magistrate to help go around with them in the atolls to update the registration. It is not a question of efficiency. It is a question of bringing the registration list up to date, and as we all know next year will be another election. If we don't start doing it right now we will run into difficulty later.

Rep. Refonopei: Point of information: Are we discussing the amendment or the bill?

Speaker Henry: The amendment.

Representative Refonopei moved for the previous question; Representative Aafin seconded, and the motion carried by voice vote.

The voice vote on the motion to adopt the amendment by Representative Rudimch to H.B. No. 6-281 resulted in a request for a division of the House.

Rep. Haruo: Mr. Speaker, if I am not out of order, I would like to be enlightened further as to the reason behind the deletion of the appropriation that my colleague from Yap has stated.

Speaker Henry: We are voting on the amendment. Perhaps after the motion is disposed of, we can discuss more. There is a request to vote again on the proposed amendment. I will ask the Clerk to announce the result of the vote.

The motion to adopt the amendment by Representative Rudimch carried by a show of hands of nine in favor and eight opposed.

Rep. Haruo: I would like to ask the Clerk to make a count of the members present.

Rep. Setik: Mr. Speaker, could I ask for another vote?

Rep. Sigrah: Point of information: It seems that if the amendment is adopted, Ponape will be excluded. I think we badly need this money, and I don't see any reason why Ponape should be excluded. May I request for another vote, and may I ask the members to vote against the amendment.

Rep. Rudimch: Mr. Speaker, if this is the case, I would like to know, at this point, how many districts need this updating of registration.

Rep. Domnick: The Marshalls needs it.

Rep. Sigrah: Ponape needs it.

Floor Leader Tman: Yap needs it very badly.

Rep. Guerrero: Marianas needs it.

Rep. Rudimch: Mr. Speaker, I think Yap doesn't need any updating.

Speaker Henry: Representative Rudimch, the Chair thought you were a Representative from Palau.

Rep. Rudimch: How many districts say they need it? Five?

At the request of Representative Moses, the House recessed at 12:10 p.m., subject to the call of the chair. The House reconvened at 12:15 p.m.

Speaker Henry: The House just voted on the proposed amendment to H.B. No. 6-281. There is a request that the House vote again. The House will vote again.

The Chief Clerk announced the result of the vote by show of hands as ten in favor and eleven opposed. The amendment was defeated.

Rep. Aafin: Am I in order to offer another amendment? Mr. Speaker, I have been looking for the bill, and I cannot find it, so can I offer the amendment and people just write it down? Wherever the figure "\$25,000" appears, strike that figure, and in lieu thereof insert "\$7,000." On line 4, after the word "districts" insert "including Kusaie." I move to adopt my amendment.

Speaker Henry: Is there further discussion on the bill? There was no second to the motion.

Representative Setik moved to stop debate; Representative Sigras seconded, and the motion carried by voice vote.

The Clerk called the roll on the motion to adopt H.B. No. 6-281 on Second Reading, and the motion carried by a vote of eighteen ayes; Representatives Aafin, Nakamura, and Rudimch voted no.

H.B. No. 6-196: To appropriate the sum of \$48,650 from the General Fund of the Congress of Micronesia for Territory-Wide Aging Program for matching funds as required by the Older Americans Act of 1965, as amended, and for other purposes.

Representative Setik moved for passage of H.B. No. 6-196 on Second Reading; Floor Leader Tman seconded, and the Chief Clerk read the title. The motion carried by roll call vote of twenty ayes; Representative Moses voted no.

H.B. No. 6-182, HD1: Providing certain tax incentives for the growth and development of air services, to amend Section 251 of Title 77, and for other purposes.

Representative Moses moved for passage of H.B. No. 6-182, H.D.1, on Second Reading; Vice Speaker Silk seconded, and the Chief Clerk read the title.

Rep. Aafin: May I ask the Chairman of the Ways and Means Committee to explain what the bill means?

Rep. Moses: Mr. Speaker, it is not within my responsibility as Chairman to explain the meaning of certain measures. I think the measure speaks for itself.

Floor Leader Tman: Mr. Speaker, if my colleague from Truk would refer to Standing Committee Report No. 6-102, the report explains the intent of the legislation.

The Clerk called the roll, the motion to pass H.B. No. 6-182, H.D.1, on Second Reading, and the motion carried by roll call vote of twenty ayes; Representative Aafin voted no.

H.B. No. 6-132, HD1: To appropriate ~~\$50,000~~ \$90,000 from the General Fund of the Congress of Micronesia to construct ~~a~~ seawalls on Kuttu Island, Mortlock Islands, and Falabeguets Island, in the Truk District, and for other purposes.

Representative Setik moved for passage of H.B. No. 6-132, H.D.1, on Second Reading; Floor Leader Tman seconded, and the Chief Clerk read the title.

Rep. Aafin: I would like to ask whether this is one of the priorities for Truk District.

Rep. Haruo: Mr. Speaker, I will attempt to answer the question. It was the feeling of the Truk Delegation that these two areas were battered by tidal waves, and we felt it was one of the priority needs for Truk District.

The Clerk called the roll, and the motion to pass H.B. No. 6-132, H.D.1, on Second Reading carried by a vote of twenty-one ayes.

H.B. No. 6-238: Prohibiting the Board of Directors of the Economic Development Loan Fund from granting loans to noncitizens, and for other purposes.

Representative Haruo moved for passage of H.B. No. 238 on Second Reading; Vice Speaker Silk seconded, and the Chief Clerk read the title.

Rep. Guerrero: Mr. Speaker, I would like to make a statement in respect to this particular measure.

REMARKS BY REPRESENTATIVE GUERRERO

Rep. Guerrero: I wish to register my opposition to the enactment of this House Bill No. 6-238 and solicit the support of my colleagues in this august body not to vote for legislation of this kind. If this bill is enacted into law, it will do a great disservice to many Micronesians. It will give this Congress and its members the stigma of discriminating against their fellow Micronesians. The bill smacks of bigotry. Respect and deference for this Congress is already low enough without our having to prove to the general Micronesian public that all of us are less than capable statesmen.

It has always been my abiding faith that through this Congress we, as Micronesians, can champion the noble goals of life, liberty and equality. The passage of this act will only convince the many Micronesians who will be affected that this Congress was conceived not for them and by them, but as a legislative body which does not assure its constituency of equal treatment.

Mr. Speaker, it has been my abiding faith that this Congress has been and will always be a strong supporter of social and economic development for our people, but the kind of legislation represented by this bill leads me to believe otherwise.

The intent of this bill is to prohibit EDLF money to be given to those persons classed as noncitizens, which in this instance means any company in which there is actual non-Micronesian participation, which includes those Micronesians who are adopted by or married to non-Micronesians.

Such a measure is discriminatory to Micronesians. I submit that it violates the equal protection provision of our basic law. I fail to understand why this Congress should choose to penalize our brothers and sisters who are married or may be married to, or be adopted by, non-Micronesians.

This bill is definitely violative of the basic intent of our Trust Territory Laws and the Bill of Rights, which are supposed to provide equal protection to all citizens, irrespective of their social, marital, racial status, or circumstances.

Furthermore, it is in direct conflict with our stated policy to encourage economic development. It appears that we wish to discourage such development, and in connection with this, I would like to point out that the Standing Committee Report implies that all non-Micronesians married to Micronesians are rich, and, therefore, their spouses

should not have to apply for EDFL money. But I would like to remind this House, for example, that the Fifth Congress passed a bill which steadily reduces the salaries of local hire expatriates with the intention that their pay eventually will be equalized with that of Micronesians. Is there not a basic irony here? On one hand we want to treat Micronesians and non-Micronesians the same, but on the other hand we want to treat them differently.

Mr. Speaker, I suggest that we have more important tasks at hand than to enact legislation which will discriminate against a fellow-Micronesian. I suggest that we ought not to discriminate against our own kind. Finally, I suggest that we do not follow the bad example of the earlier passage of Public Law No. 5-85 which is not being enforced, and which has thus far proven to be more of an embarrassment to our government than a responsive piece of legislation we can all brag about. I kindly urge this Congress, on behalf of all of the people of Micronesia whom we represent, to have this bill filed. Thank you, Mr. Speaker.

MOTIONS

Rep. Aafin: I support my colleague from the Marianas, and I also am very concerned about this bill, so I move to file the bill.

Representative Bigler seconded the motion.

Floor Leader Tman: Point of order. The motion to file is a subsidiary motion.

Rep. Aafin moved to defer action on House Bill No. 6-238; Representative Moses seconded, and the voice vote resulted in a request for a division of the House.

The House voted by a show of hands.

Speaker Henry: There were eight members that voted no; therefore, the motion to defer action on House Bill No. 6-238 carried.

Rep. Sigrah: If I am not out of order, I would like to make a suggestion here regarding the bill--that the committee do some studies after the session in the districts to find out the opinions of the district leaders as well as the legislatures.

Representative Guerrero: I so move.

Representative Bigler seconded the motion.

Floor Leader Tman: Point of information: I believe the intent of the motion is that "the committee" means Resources and Development Committee.

Speaker Henry: That is correct. Is there any discussion on the motion?

The motion by Representative Guerrero carried by voice vote.

S.B. No. 6-2, SD1: To amend Section 251 of Title 5 of the Trust Territory Code to provide for advice and consent of District Court Judges by the Congress of Micronesia and for other purposes.

Representative Basilius moved for passage of S.B. No. 6-2, S.D.1, on Second Reading; Floor Leader Tman seconded, and the Chief Clerk read the title. The motion carried by roll call vote of seventeen ayes; Representatives Bigler, Moses, and the Speaker voted no; Floor Leader Tman stated conflict of interest.

Rep. Sigrah: I challenge the conflict of interest. Will he explain?

Floor Leader Tman: Mr. Speaker, the present Presiding Judge of Yap District is my uncle.

H.B. No. 6-223; HD1:

To appropriate the sum of ~~\$500,000~~ \$400,000 from the General Fund of the Congress of Micronesia as a grant to the Marshall Islands Development Authority, Marshall Islands District, for the improvement and development of copra production, and for other purposes.

Representative Domnick moved for passage of H.B. No. 6-223, H.D.1, on Second Reading; Vice Speaker Silk seconded, and the Chief Clerk read the title.

Floor Leader Tman: Point of information. Mr. Speaker, I believe there is a House Draft.

Speaker Henry: That is correct. It is House Draft 1, as in the oral report.

Rep. Haruo: Mr. Speaker, I am wondering if it would be possible to defer action on the measure. From various comments made, it appears to me that there is a fragmentation of the copra industry in Micronesia. I think there has been a lack of coordination between the Coconut Processing Authority and the new venture contemplated to be implemented in the Marshalls. I am wondering if other pertinent information could be developed, perhaps between the copra processing authority and MIDA, before action is taken on the measure.

Rep. Domnick: The concern I have is that if we wait for one more year, that means we are pushing it back three more years. From the time we place the order for machinery, until the time we push the button on the machine to start expelling copra, it will be three years. As I said, the minutes of the meeting in Ponape from the Coconut Processing Authority showed that they were not concerned with processing. The discussion revolved around the dessication processing plants, and around making buttons from coconut shells, and the possibility of making charcoal from shells. There was no discussion of a processing plant. I am really afraid that if we delay this further, we will hit the point where there won't be any exports from the other districts to keep the mill in Japan operating and there might be the possibility of finding no market for our copra.

If I could go on further, I am aware that there has been on plant proposed for Palau. Prior to that there was a plant proposed for Tinian. But these are private ventures. In other words, in the Marshalls we have been approached by two firms--one from Japan and one from the United States. But if these firms are involved, this would be a profit-making organization. They would have to go under the Foreign Investment Act, because there is outside capital. Then the question raised by my colleague from the Marianas, Representative Guerrero, "what happens to the profits"--the profits would be taken from Micronesia and put in the pockets of the U.S. investors or Japan, whichever we choose. If we go through this route, the profit realized would go back to the producers because we will adjust the price of the copra according to what the mill makes. So which do we want? Do we want outside investors to take the profit from this, or do we turn around and give it back to the copra producers?

Rep. Aafin: Mr. Speaker, Congressman Charles Domnick has elaborated so much on the bill, and his elaboration makes it very, very important. If it was that important, why did it come up this late during this session? And also, why did it come in on an oral report? And also, why did he not make the very important thick report from the Nitijela available to the members so they can look through it? I am concerned that it looks important, and yet we were not given the opportunity to study the matter.

(The Speaker excused Floor Leader Silk.)

Rep. Moses: I am not very clear on the placement of profits to be generated by this corporation, or whatever you call it. Could I inquire further into that?

Rep. Domnick: The Marshall Islands Development Authority, if they purchase copra to process--say they set the price of the copra at \$300.00 a ton. Now they purchase it for \$300.00 a ton. After the three-month period, they will adjust the price again. But after buying the copra for \$300.00 a ton, and milling it and exporting it--these reports I have

coming monthly from Asian Coconut Community which processes most of the world's copra, specify that the price of oil is always above the price of copra. At the peak last year, the price of one ton of oil was \$1,400 whereas the price of copra was \$700.00. So if we realize in a period of three months, \$500,000 as profit, then in the next purchase of copra, the price will have to jump to maybe \$400.00 or \$500.00 a ton. (In other words, the profit will have to go back to the producers in that form, with the price of copra.)

Rep. Moses: Do I take the explanation to mean that the entire profit goes back and there is no other agent which will be collecting that amount of profits to be generated?

Rep. Domnick: That is right, Mr. Speaker, but we have to take into account that we have to have a brokerage, either in Japan or San Francisco to monitor. In other words, after all the expenses are taken out, then all the profit goes back to the producers. (After the salaries, maintenance, and the operation and contingent expenses of the mill have been taken care of, then everything above and beyond that goes back in the form of copra price.)

Rep. Rudimch: Mr. Speaker, there is more information required in order to really understand this kind of a project--the problems of transportation, in taking the copra from the other districts to the plant. The profit and loss statement has to be reviewed. I don't think it is fair for members of the House just to discuss it for this short time and then come up with close to a half-million dollar appropriation. There is a Micronesia Development Bank which was created by the Congress, whose sole purpose is to aid this kind of project. Since I believe that we require further studies on this, before an outright appropriation from the Congress, I move to defer action on this.

Representative Edwards seconded the motion. Representative Domnick objected.

Rep. Edwards: I would like to ask a question. When we sell copra for \$700 a ton, and we sell oil for \$1,000--how many tons of copra make one ton of oil?

Rep. Domnick: One ton of copra expels .65 of oil. But the remainder, if it is pelletized, the pellets can be sold at \$170 a ton, at the going market now.

Rep. Edwards: I am still not satisfied, Mr. Speaker. I agree with my colleague from Palau that we should defer action on this.

Rep. Domnick: I stated earlier that I objected to the deferral of this because if we want to defer action, what we are planning to do in the Marshalls is to go ahead with it. In other words, it is our mill, and if we decide to raise our price of copra and lower yours, it will be up to us because we own the mill. That is what the Marshalls District Legislature wanted, but I wanted to include the Territory. I am thinking about the Territory. There is in this study a mill (the same mill) will still make a profit on the 6,000 tons annually produced in the Marshalls. In other words, we would make money on our own, but what about the other 6,000 that is produced in the other districts? Are we going to forget about it? And the price of this is \$2.5 million. We just asked for \$400,000 from the Congress. The other one million would come from the Nitijela and the other million the Administration pledges to give us. If not, we have already borrowed money elsewhere. MIDA has borrowed money. We can do it on our own. Do you want us to do it on our own, or do you want to be part of it? That is the question I am asking now.

Rep. Haruo: While I am in support of major economic development projects, I personally would like to see that pertinent information relative to some of these major economic developments ought to be acquired. To avoid duplication of efforts, I think delineation of responsibilities between MIDA and the Coconut Processing Authority should be delineated to avoid duplication of efforts. Some of this pertinent information, I think is required to find out the economic impact and the effect that it would have on the volume of the copra that we have in Micronesia--whether two mills would be justifiable, or one would be justifiable, based on perhaps some of the pertinent information that must be acquired.

Rep. Sigrah: Speaking in support of the bill, the last island in the Eastern Carolines

is very close to the Marshalls, and there is a possibility of marketing copra from that island to this mill. That is why I say I am in support of the bill.

Rep. Rudimch: Mr. Speaker, I don't want to give the impression to my colleague from the Marshalls that we are against such a project. However, each district in order to support a plant, we have to export the copra--transport the copra from one district to the plant. We need to see how much--how they are going to price the copra in comparison to the world market copra price, and also whether the plant is intended to export crude oil from the coconut to outside markets. You don't put the raw coconut on one end and push a button and soap comes out from the other end. There is a lot of information that is available that we should be discussing at this time.

Rep. Moses: Mr. Speaker, there is a need for perhaps the members to do some concentration and personal conversation with the Representative from the Marshalls between now and 7:30 p.m. With that understanding, I move to recess until 7:30 tonight for consultation with Representative Domnick.

Representative Rudimch seconded. (There were several objections.)

Speaker Henry: There was a second to the motion that the House recess until 7:30 tonight.

Rep. Guerrero: What happened to the objections?

Speaker Henry: They were heard, and if you object to the motion, you vote against it.

Rep. Aafin: I am really concerned, Mr. Speaker, that this is only one bill that we are on. We have so many. We have much matter ahead of us and we have only just a few days left.

Speaker Henry: We all know that, so we will vote on the motion.

The motion to recess until 7:30 p.m. lost on a rising vote of eight in favor and twelve opposed.

Representative Basilius moved to stop debate; Representative Domnick seconded, and the motion carried by voice vote.

The motion to pass H.B. No. 6-223, H.D.1, on Second Reading carried by roll call vote of fourteen ayes; Representatives Aafin, Edwards, Moses, Nakamura, Rasa, and Rudimch voted no; Representative Haruo stated conflict of interest.

Rep. Moses: I challenge the conflict of interest.

Rep. Haruo: Mr. Speaker, we have the Coconut Processing Authority and MIDA. I don't know which one to vote for.

Speaker Henry: That is no conflict of interest. Will the Clerk call the name of Representative Haruo.

Representative Haruo voted yes.

Speaker Henry: Thank you. The bill passed second reading.

Representative Basilius moved to recess until 7:00 p.m.; Representative Moses seconded, and the motion lost by voice vote.

Rep. Guerrero: Mr. Speaker, I would like to comment a little on a bill that I introduced earlier--House Bill No. 6-144, which will create a Joint Committee on War Claims to negotiate directly with the United States Government and Japan, to seek the possibility of

obtaining more money for the Micronesia War Claims, and I would like, Mr. Speaker, to move that House Bill No. 6-144 be withdrawn from the Committee on Appropriations and placed on today's calendar.

Representative Aafin seconded the motion, and the motion carried by voice vote.

Representative Aafin: Point of information: Does that automatically put H.B. No. 6-144 on today's calendar?

Speaker Henry: No, not yet.

Rep. Basilius moved to pass H.B. No. 6-144, H.D.1, on Second Reading; Representative Aafin seconded the motion.

Vice Speaker Silk: Point of information: Has this bill passed First Reading?

Speaker Henry: Yes, may we hear the title of the bill?

H.B. No. 6-144, HD1: To create a ~~Micronesian Claims Committee~~ Joint Committee on Micronesian Claims, to prescribe its duties and functions, to appropriate funds therefor, and for other purposes.

The motion to pass H.B. No. 6-144, H.D.1, on Second Reading carried by roll call vote of twenty-one ayes.

H.B. No. 6-237: To appropriate the sum of \$300,000 from the General Fund of the Congress of Micronesia to supplement the funds appropriated under Public Law No. 5-72, and for other purposes.

Representative Haruo moved for passage of H.B. No. 6-237 on First Reading; Vice Speaker Silk seconded, and the Chief Clerk read the title. The motion carried by voice vote.

Representative Sigras moved to place on the Bill Calendar for First Reading House Bill No. 6-149 and House Bill No. 6-296.

Representative Aafin seconded the motion, and the Chief Clerk read the bill titles.

H.B. No. 6-149: Appropriating \$52,000 for certain public projects and purposes for Kusaie Island, Ponape District, and for other purposes.

H.B. No. 6-296: To appropriate the sum of \$430,000 from the General Fund of the Congress of Micronesia for certain public improvement projects in Ponape District, and for other purposes.

The motion to place H.B. No. 6-149 and H.B. No. 6-296 on the Bill Calendar carried by voice vote.

Floor Leader Tman moved for a short recess, and the Speaker declared the House recessed at 1:10 p.m., subject to the call of the Chair. The House reconvened at 1:30 p.m.

Speaker Henry: Are there any more bills?

Chief Clerk: The following bills are placed on the Calendar for First Reading:

H.B. No. 6-95
H.B. No. 6-205
H.B. No. 6-160
H.B. No. 6-72
H.B. No. 6-94

H.B. No. 274
 H.B. No. 6-229
 H.B. No. 6-248
 H.B. No. 6-156
 H.B. No. 6-256
 H.B. No. 6-93
 H.B. No. 6-270
 H.B. No. 6-44
 H.B. No. 6-149
 H.B. No. 6-296
 S.B. No. 6-77, and
 H.B. No. 6-140 for Second Reading.

Floor Leader Tman: Mr. Speaker, if there is no objection from the House, I move that all the bills which are now on the Calendar for First Reading, pass First Reading.

Representative Sigrah seconded the motion.

Rep. Aafin: I understand that perhaps one or two have already passed First Reading. Can you check on House Bill No. 6-140?

Floor Leader Tman: I think my motion was just for First Reading. The Second Reading Bills will be handled separately.

Speaker Henry: The motion applies only to First Reading Bills. Is there any objection on voting on all these bills at once?

The motion to pass the bills as listed by the Chief Clerk on First Reading carried by voice vote.

Floor Leader Tman moved for passage of H.B. No. 6-140 on Second Reading; Vice Speaker Silk seconded, and the Chief Clerk read the title.

H.B. No. 6-140:
 To appropriate \$48,000, which was authorized to be appropriated under Public Law 5-101 from the General Fund of the Congress of Micronesia, for marine transportation scholarships at Federal and State maritime academies and other maritime institutions in the United States and in the Philippines, and for other purposes.

Floor Leader Tman: Point of information: Since this bill was not withdrawn, but merely placed on the Calendar, would it require a report? If it requires a report, I move to suspend the rule on written reports.

Vice Speaker Silk seconded, and the motion carried by voice vote.

Speaker Henry: Is there discussion on the bill?

Rep. Moses: Why is this bill only earmarked for a certain type of education? (Marine scholarships, in this case.)

Rep. Aafin: Mr. Speaker, last year Transportation Department requested \$100,000 for certain students who participated in examinations and passed who were interested in going on to marine schools. The Congress appropriated \$52,000 at that time, with the provision in that appropriation that \$48,000 would be appropriated later. So with the expectation of this amount, some students have lined up already and they are ready to go to school, and schools in the states and the Philippines are ready to take those students. They are all just waiting, and this is the amount that is required. In the past, marine-related education was given very little attention. In fact, when many of the students applied--up to now we have among all the fields in the Trust Territory, we have only five who have completed in that area, and we need more. That is why we are asking Congress for the bill. I do believe

that everyone agrees that Transportation is the mainstay of our islands, so there is very great importance in sending these students to school.

Rep. Haglelgam: How come these students who are interested in going to marine academies don't apply for the general scholarships?

Rep. Aafin: They do apply, and because there are not enough scholarships, even if they are qualified, many times they are not awarded the scholarship. An example is that we have already--Transportation in the last two years has already sent about three of the students who did apply for the general scholarship, and were not awarded the scholarship. Transportation tried to find money here and there, and they did send those students on to further education on their own budget. That budget is very limited, and I am just telling everybody this so that we know that those people in Transportation are not just asking for the money. They have gone ahead and used some of their own funds to educate some of these people who were not awarded general scholarships just by the fact that they did apply for those scholarships.

Rep. Haglelgam: Is this scholarship going to be a separate scholarship from the Trust Territory scholarship?

Rep. Rasa: Why is it an entirely separate scholarship program?

Rep. Domnick: Mr. Speaker, I thought the problem in the Trust Territory is that there are no ships, and not that there are no officers. What happens if we educate all these people and they come back and then there is no ship.

Speaker Henry: That's like a bus without a driver.

Rep. Aafin: I would like to make it very clear that people going to maritime academies or maritime schools don't come back and have to go to ships only. Their education in maritime schools can qualify them for almost any job.

Speaker Henry: Including the Congress of Micronesia?

Rep. Aafin: Yes sir.

Vice Speaker Silk: I would like to be assured that when these people graduate they go back to ships instead of doing other things.

Rep. Aafin: I thank the Vice Speaker for mentioning that. Yes, we intend for them to come back and work on board ship. But I just pointed out the fact that the quality of education that they receive from those academies does not limit them only to ships. They can work in any other place, in most economic fields, etc.

Rep. Haruo: I would like to ask my colleague from Truk a question. Knowing the fact that we have three vessels tied up in Peleliu, which require \$40,000 and some to at least get one of those vessels in operation, I am wondering if he would direct this amount of money to perhaps recondition these vessels to institute more field trip vessels to the outer islands, rather than this school program.

Rep. Aafin: Mr. Speaker, I am from the outer islands, and I understand the problems of those people there. Their problems include transportation problems, this is very true. So we need more people in that area, and the only way to get people in transportation and its related fields is to send them to schools. Talking about the ships tied up in Palau, the ships referred to are very expensive to operate, and they will need more than \$48,000 to operate. Right now there is no use for them at the moment. One of the ships, the Pacifica, is contemplated to be chartered by Hammil Corporation, and the paperwork on it is underway. There is no way that we can put our own budget out that will make it enough to operate that ship.

Rep. Sigrah: I wish to say for the record, with regard to the question raised by my

colleague from the Marshalls that the testimony provided by the Transportation Division was that they are working on a policy that any recipients of this scholarship will come back and work for the government, and that is a matter of an agreement which the students will have to sign.

Floor Leader Tman moved for the previous question; Vice Speaker Silk seconded, and the motion carried by voice vote.

The motion to pass H.B. No. 6-140 on Second Reading carried by roll call vote of nineteen ayes; Representatives Haglelgam and Moses voted no.

Vice Speaker Silk moved to suspend the Order of the Day in order to go back to Item 9, Special Reports. Floor Leader Tman seconded, and the motion carried by voice vote.

SPECIAL REPORT

Vice Speaker Silk moved to suspend the rule requiring written reports and duplication of reports; Floor Leader Tman seconded, and the motion carried by voice vote.

Vice Speaker Silk: Mr. Speaker, I wish to report orally that your Joint Committee on Future Status is today submitting the Draft Compact between the people of Micronesia and the United States. This is the latest Draft Compact with several annexes attached to it and also a draft letter from the Office of the Micronesian Status Negotiations regarding the question of transition. You will note the Title on Finance, which I think that the members of Congress are very much interested in. The figures as shown in the Draft Compact are the best offer made by the negotiators from the United States. I merely wish to submit this progress report, Mr. Speaker, for the consideration of the Congress.

I move for adoption of the report.

Floor Leader Tman seconded, and the motion to adopt the oral report carried by voice vote.

Rep. Aafin: Point of information: Does that mean that we have to take action on it?

Speaker Henry: No.

Floor Leader Tman: I move at the request of Chairman Haruo to place H.B. No. 6-243 and H.B. No. 6-251 on the Bill Calendar for First Reading.

Vice Speaker Silk seconded, and the motion carried by voice vote.

Floor Leader Tman moved that House Bill No. 6-243 and House Bill No. 6-251 pass First Reading; Vice Speaker Silk seconded, and the Chief Clerk read the titles as follows:

H.B. No. 6-243: To protect the endangered species of the Trust Territory of the Pacific Islands and for other purposes.

H.B. No. 6-251: To amend Section 2 of Title 33 of the Trust Territory Code relating to the definition of "noncitizen" for the purposes of the Foreign Investors Business Permit Act, and for other purposes.

The Speaker declared the House recessed at 1:50 p.m., subject to the call of the Chair. The House reconvened at 1:52 p.m.

The motion to pass H.B. No. 6-243 and H.B. No. 6-251 on First Reading carried by voice vote.

Floor Leader Tman: Mr. Speaker, at the request of my friend, I move that H.B. No.

6-268 be placed on the Bill Calendar.

Vice Speaker Silk seconded, and the Chief Clerk read the title:

H.B. No. 6-268: Appropriating \$30,000 from the General Fund of the Congress of Micronesia for the training of police officers, and for other purposes.

The motion to place H.B. No. 6-268 on the Bill Calendar carried by voice vote.

Floor Leader Tman moved for passage of H.B. No. 6-268 on First Reading; Vice Speaker Silk seconded, and the motion carried by voice vote.

Representative Moses moved that the House recess until 7:30 p.m.; Representative Basilius seconded, and the motion lost by voice vote.

Rep. Edwards: Mr. Speaker, I have a prepared statement which I would like to insert in today's Journal.

STATEMENT BY REPRESENTATIVE EDWARDS

Rep. Edwards: Mr. Speaker and members of the House: This week, as we anticipate the adjournment *sine die* of the First Regular Session of the Sixth Congress, I am sure we all view the results of our work here with mixed emotions. Undoubtedly, despite our many accomplishments, there will also be some disappointments for us, and consequently, for our people at home in our respective districts.

Therefore, I believe it is a good idea at this point, with only a few brief days remaining, to pause for a few moments to consider in which direction we are headed, and toward what goals.

First, Mr. Speaker, it is my opinion that if Micronesia is ever to have self-government, and self-respect to any meaningful degree, we must ensure that every attempt is made to make our economy a strong one on which to base our future government.

One of the key elements in building such an economy and government is the need for a unified Micronesia which is based on mutual respect and confidence. To my way of thinking unity is something we should be practicing without thinking about it, and not something to be purchased through revenue-sharing legislation or any other similar matter.

Some may disagree with this position, but it is my sincere feeling that it is a very Micronesian custom--which is to say a custom in all of our districts--to be proud to share what you have with immediate and extended family members, neighbors and friends. It is not a Micronesian custom to bargain for something in return. That is not a Micronesian custom; it is a foreign political tactic which offends Micronesian sensibilities.

Therefore, let us find solutions to our problems, and maintain our unity in a Micronesian way. I know that we do not all share the same convictions on all issues, but at least those convictions, and our ultimate actions maybe are done in a Micronesian, and not foreign way.

The Micronesian way will also be of great importance in the forthcoming Constitutional Convention. This Congress must act in the best interests of this historic meeting--which is to say in the best interests of our people--by passing legislation amending the original law creating the convention in order that the work of the delegates and their final product will be the best possible one. It is my hope that the Constitution which will come from this meeting will not only reflect the views of the majority of districts, but will also be responsive enough to satisfy any minority district viewpoints.

While we must consider progress in the area of forming our new Constitution, we must at

the same time also consider progress in many areas at many levels for our islands in general. This Congress must determine what the priorities are to be accomplished for our people in economic development, social development, and in other areas. Not only must we set priorities, but must pass legislation which follows those priorities, and which is done with care and attention to their effect.

Finally, in all matters, as we approach the end of this session, and as we look forward to the next session, let us consider that fairness to all is the key to our successful work here, and to the unity of our constituents all over Micronesia. Let us be fair in our considerations and judgments of each others' needs, of other districts' needs, and of the general needs and welfare of our Micronesian people.

Let fairness and the Micronesian way prevail over our future work and the future of Micronesia. Thank you, Mr. Speaker.

RESOLUTION CALENDAR

H.J.R. No. 6-56, HD1: Authorizing the High Commissioner to accept a grant offer for the preparation of an Airport System Plan for the Trust Territory of the Pacific Islands, from the Federal Aviation Administration, United States Department of Transportation.

Representative Haruo moved for adoption of H.J.R. No. 6-56, H.D.1; Vice Speaker Silk seconded, and the Chief Clerk read the title. The motion carried by voice vote.

H.J.R. No. 6-86: Requesting the High Commissioner and the Joint Committee on Program and Budget Planning of the Congress of Micronesia to make budgetary allowances for the development of Woleai Atoll, Yap District, as a subdistrict beginning in Fiscal Year 1976 and to make budgetary provisions of a subdistrict hospital and other capital improvement projects on said atoll.

Representative Basilius moved for adoption of H.J.R. No. 6-86; Floor Leader Tman seconded, and the Chief Clerk read the title.

Rep. Setik: Mr. Speaker, I think it would be impossible to do this beginning in Fiscal Year 1976 because FY 1976 is pretty much locked in. Right now it is before the United States Congress. I would like to offer an amendment to change that from 1976 to 1977, and I so move.

Floor Leader Tman seconded the motion.

Floor Leader Tman moved to suspend the rule on duplication; Representative Setik seconded, and the motion carried by voice vote.

The amendment by Representative Silk to H.J.R. No. 6-86 was adopted by voice vote.

The resolution was adopted by voice vote.

H.J.R. No. 6-75: Requesting the High Commissioner and the Joint Committee on Program and Budget Planning to make funds available to construct a hospital in the Mortlock Islands subdistrict center, Truk District.

Representative Setik moved for adoption of H.J.R. No. 6-75; Vice Speaker Silk seconded, and the Chief Clerk read the title. The motion carried by voice vote.

H.J.R. No. 6-14; HD1: Requesting the Joint Program and Budget Committee to specify the budget allocations set aside for Rota and Tinian in the Mariana Islands District, District Administrator, Mariana

Islands District, and the Mayors of Rota and Tinian to make a study of ways to give those Municipalities more control over their budgets.

Representative Setik moved for adoption of H.R. No. 6-14, H.D.1; Floor Leader Tman seconded, and the Chief Clerk read the title. The motion carried by voice vote.

H.J.R. No. 6-55, HD1:

Respectfully requesting the Director of the Department of Health Services to give patients, who are sent to Guam for treatment, and their escorts, and stay with relatives or other accommodations instead of at the Micronesian Hotel, the money which would have been allowed them if they had stayed at the Micronesian Hotel.

Representative Nakamura moved for adoption of H.J.R. No. 6-55, H.D.1; Floor Leader Tman seconded, and the Chief Clerk read the title. The motion carried by voice vote.

H.J.R. No. 6-57:

Expressing appreciation to the Girl Scouts of the United States of America for ten years of service to Micronesia.

Representative Sigrah moved for adoption of H.J.R. No. 6-57; Floor Leader Tman seconded, and the Chief Clerk read the title. The motion carried by voice vote.

H.J.R. No. 6-67, HD1:

Respectfully requesting the government of the United States to sponsor the Trust Territory of the Pacific Islands for membership in the Asian Development Bank.

Representative Haruo moved for adoption of H.J.R. No. 6-67, H.D.1; Vice Speaker Silk seconded, and the Chief Clerk read the title. The motion carried by voice vote.

H.J.R. No. 6-72:

Requesting the High Commissioner and the Director of the Department of Resources and Development to conduct a study regarding the feasibility of assembling small trucks in the Trust Territory and expressing the sense of the Congress of Micronesia that if the project proves to be feasible, the Congress will give the most serious consideration to the enactment of protective tariffs to help assure the financial viability of the industry.

Representative Haruo moved for adoption of H.J.R. No. 6-72; Floor Leader Tman seconded, and the Chief Clerk read the title. The motion carried by voice vote.

H.J.R. No. 6-68, HD1: Requesting the United States Congress to amend certain public laws to extend programs of federal assistance with respect to fisheries to the Trust Territory of the Pacific Islands.

Representative Haruo moved for adoption of H.J.R. No. 6-68, H.D.1; Floor Leader Tman seconded, and the Chief Clerk read the title. The motion carried by voice vote.

H.J.R. No. 6-82, HD1:

Expressing appreciation to Joseph R. Smith for his service to the people of Micronesia, and urging Continental Air Lines, Inc. to retain him as Manager of Public Affairs and Governmental Relations of Air Micronesia, Inc.

Representative Basilius moved for adoption of H.J.R. No. 6-82, H.D.; Floor Leader Tman seconded, and the Chief Clerk read the title. The motion carried by voice vote.

S.J.R. No. 6-4, SD1:

Urging the Secretary of the Department of Health, Education and Welfare to provide funding for a year long yearlong Head Start Program in Yap District.

Floor Leader Tman: Point of privilege. May I request the House to recognize the presence of Joseph R. Smith in the gallery.

Rep. Aafin: Mr. Speaker, I respectfully request the committee concerned that House Resolution No. 6-119 be withdrawn from the Committee on Judiciary and Governmental Relations and placed on today's Calendar.

Representative Edwards seconded the motion.

Rep. Basilius: Since that resolution doesn't require two days' reading, and Congressman Aafin is a member of your Committee on Judiciary and Governmental Relations, I would like to assure him that we will see to it that the resolution will be placed on tomorrow's Order of the Day.

Rep. Aafin: Thank you very much.

INTRODUCTION OF BILLS

H.B. No. 6-297:

Introduced by: Rep. Guerrero
Assigned to: Judiciary and Governmental Relations

To promote safe boating, and for related purposes.

H.B. No. 6-298:

Introduced by: Rep. Henry (by request)
Assigned to: Judiciary and Governmental Relations

To add a new Chapter 62 to Title 11 of the Trust Territory Code to illegalize gambling, and for other purposes.

H.B. No. 6-299:

Introduced by: Rep. Henry (by request)
Assigned to: Health Matters

Amending Subchapter III of Chapter 1 of Title 63 of the Trust Territory Code by adding new Sections 110, 111, 112, 113, 114, 115, 116 and 117, and for other purposes.

H.B. No. 6-300

Introduced by: Rep. Henry (by request)
Assigned to: Judiciary and Governmental Relations

Amending Title 67 of the Trust Territory Code by adding new Chapter 16, to provide for land acquisition and for just compensation, and Chapter 17, to provide for relocation benefits and advisory assistance to persons and businesses displaced by government land acquisition and rehabilitation programs, and for other purposes.

INTRODUCTION OF RESOLUTIONS

H.J.R. No. 6-93:

Introduced by: Rep. Haruo
Assigned to: Resources and Development

Requesting the High Commissioner to apply for and seek membership in the Asian Coconut Community for the Trust Territory of the Pacific Islands.

MISCELLANEOUS BUSINESS

None

ANNOUNCEMENTS

Rep. Setik: Mr. Speaker, your Committee on Appropriations will have R & R today.

Rep. Aafin: I yield the floor to my colleague from the Marianas on the amendment to the Rules of Procedure.

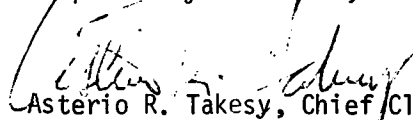
Rep. Guerrero: It seems that we have an urgent matter that needs to be taken up and resolved by this Congress, and I am referring to the amendment of the House Rules of Procedure Mr. Speaker, I would like to move that we take that up just before we adjourn.

Representative Aafin seconded the motion.

Representative Setik moved that the House recess until 1:00 tomorrow afternoon. Floor Leader Tman seconded, and the motion carried by voice vote.

The Speaker declared the House recessed at 2:15 p.m. until 1:00 p.m., Sunday, March 2, 1975.

Respectfully submitted,


Asterio R. Takesy, Chief Clerk
House of Representatives

