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TELEGRAM

UNCLASSIFIED 1445 mare of Pl PAGE Ø1 2914592 **4** A ACTION INT#05 INFO OCT#01 EA#09 10-11 L=03 PM-00 PAO02 1035 W 064673 n. Congress approves P 291158Z FEB 76 FM HICOMTERPACIS SAIPAN MARIANAS ISLANDS TO ALDISTADS TERPACIS pussing \$ 1 of 2 bu Mg. Joul TT LNO GUAM MARIANAS ISLANDS Bill TT LNO KWAJALEIN MARSHALL ISLANDS COMNAVMARIANAS GUAN MARIANAS ISLANDS CINCPACREP GUAM/TTPI GUAM MARIANAS ISLANDS CINCPAC HONOLULU HI INTELLIGENCE CENTER PACIFIC (IPAC) NAVINVSERVO GUAM MARIANAS ISLANDS COMTWELVE SAN FRANCISCO CA RUEHC /SECSTATE WASHINGTON DC SECDEF WASHINGTON DC JCS WASHINGTON DC CNO WASHINGTON DC CINCPACELT MAKALAPA HI CINCPACAF HICKAM AFB HI CGEMEPAC CAMP H M SMITH HI BOr COMCBPAC PEARL HARBOR HI NAVFACENGCOMHQ ALEXANDRIA VA CCGDFOURTEEN HONOLULU HI PACNAVFACENGCOM PEARL HARBOR HI SAMTEC VANDENBERG AFB CA FCDN-LGA KIRTLAND AFB NM CDRUSAGO MAKIMINATO JAPAN//TTPI1LNO// AMEMB CANBERRA ACT AS RUEHKO /AMEMB TOKYO JA CDRBMDSCOM HUNTSVILLE AL//BMD SC-RO// COMCOGARD MARSEC GUAM UNCLAS.

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SECSTATE PASS TO DEPT INT/SEC INTERIOR/DOTA GAN AMEMBASSY CANBERRA FOR PAC. ISL. MONTHLY (CONGRESS APPROVES WASHINGTON OFFICE BILL) SAIPAN, FEB. 29 (MNS)---THE CONGRESS OF MICRONESIA HOUSE APPROVED AND SENT TO THE HIGH COMMISSIONER A BILL TO CREATE AND FUND A MICRONESIAN WASHINGTON OFFICE (SB 6-225) AFTER IT WAS DELAYED NEARLY SIX TIMES. BOTH HOUSES MET SUNDAY (FEB. 29) AS THE SECOND

PAGE 03 RUHGSAA3370 UNCLAS. Regular session of the sixth congress neared its end, Sunday was the 49the day of the 50-day session.

WITH THE NECESSITY OF TAKING AT LEAST INITIAL ACTION ON BILLS IN THE HOUSE OF REPRESENTATIVES SUNDAY, IT WAS THE MEMBERS OF THE LOWER CHAMBER WHO WERE THE BUSIEST, HOLDING A LONG MEETING LATE SUNDAY AFTERNOON SENATE MEMBERS MET ALSO IN THE AFTERNOON AND RECESSED UNTIL MONDAY (MARCH 1).

DURING FLOOR ACTION IN THE HOUSE, AN ATTEMPT WAS MADE TO POSTPONE ACTION ON THE WASHINGTON OFFICE BILL, THAT MOTION MET STRONG OBJECTIONS FROM SUPPORTERS OF THE BILL.

SPEAKING AGAINST THE BILL WERE REPS. KUNIWD NAKAMURA AND POLYCARP BASILIUS OF PALAU; MARIANAS REP. HERMAN T. PALACIOS AND TRUK CONGRESSMAN SASAUD HARUD.

THEY MAINTAINED THAT THE AMOUNT OF MONEY IS TOO "EXCESSIVE" AND THAT THE HOUSE SPEAKER SHOULD APPOINT A NEW CONFERENCE COMMITTEE TO ATTEMPT TO LOWER THE AMOUNT REQUESTED FROM \$120,000 TO \$30,000.

PROPONENTS OF THE MEASURE SAID THE \$120,000 IS ONLY

PAGE 04 RUHGSAA3370 UNCLAS. THE "INITIAL COST" TO PURCHASE FURNITURES, APPLIANCES, TRAVEL EXPENSES FOR THE "LIAISON OFFICER" AND HIS FAMILY AND OTHER NECESSARY ITEMS FOR THE OFFICE. REP. HARUO EXPLAINED THAT THE AMOUNT PROVIDED FOR

IN THE BILL IS TOO HIGH AND THAT THE MONEY CAN BE USED

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FOR OTHER ECONOMIC DEVELOPMENT PROJECTS.

REP. NAKAMJRA MAINTAINED THAT IF THE CONGRESS GOES AHEAD AND APPROVED THE BILL, THE FUNDING REUNIREMENT FOR THE OFFICE NEXT YEAR WILL BE MUCH HIGHER.

REP. RAYMOND SETIK SPOKE IN FAVOR OF THE BILL. HE SAID THERE ARE SOME "ISSUES, PROGRAMS, AND PROBLEMS WE'VE HAD IN THE PAST" AND CREATION OF SUCH AN OFFICE WILL "HELP US" SOLVE SOME OF THESE PROBLEMS AND REDUCE THE AMOUNT OF TRIPS TO WASHINGTON. "THE \$120,000 REQUEST IN THE BILL IS THE MINIMUM AMOUNT," SETIK POINTED OUT.

IN A ROLL CALL VOTE TO ADOPT THE CONFERENCE DRAFT, THE BILL PASSED 14.6. VOTING AGAINST THE MEASURE ARE: REPS. CHIRO ALBERT AND SASAUD HARUO OF TRUK; POLYCARP BASILIUS AND KUNIWO NAKAMURA OF PALAU: EDGAR EDWARDS OF PONAPE AND HERMAN T. PALACIOS OF THE MARIANAS.

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ALSO APPROVED AND SENT TO THE HIGH COMMISSIONER WAS A BILL APPROPRIATING \$70,000 TO DEFRAY THE COST AND ADMINISTRATIVE EXPENSES IN HOLDING THE 1976 GENERAL ELECTION FOR MEMBERS OF THE CONGRESS OF MICRONESIA, (SB 6=221).

PASSED AND SENT BACK TO THE SENATE WITH HOUSE AMENDMENTS WAS A BILL WHICH WOULD PROVIDE FOR CRIMINAL PENALTY FOR AUTHORIZING OBLIGATIONS IN EXCESS OF APPROPRIATIONS MADE BY THE U.S. CONGRESS OR THE CONGRESS OF MICRONESIA, (SB 6=329); A MEASURE WHICH WOULD ALLOW ALL HOMESTEADERS TO BORROW MONEY FROM THE DISTRICT HOUSING AUTHORITIES AND TO USE HOMESTEAD LANDS AS COLLATERAL TO SECURE SUCH LOANS, (HB 6=414); AND A BILL WHICH WOULD ALLOW PRISONERS TO SEEK EMPLOYMENT OUTSIDE OF JAILS; (HB 6=439).

HEATED DEBATE ON THE BILL WHICH WOULD GRANT THE HIGH COMMISSIONER THE DISCRETION TO OVERRIDE A DECISION BY ONE OR MORE OF THE DISTRICT ECONOMIC DEVELOPMENT BOARDS, WHEN ANY SUCH BOARD DENIES THE ISSUANCE OF A BUSINESS PERMIT TO AN APPLICANT, AND IF THE HIGH

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PAGE 06 RUHGSAA3370 UNCLAS. COMMISSIONER FEELS THAT GRANTING THE PERMIT WOULD NEVERTHELESS FACILITATE THE ECONOMIC DEVELOPMENT OF MICRONESIA, (SB 6-381), HIGHLIGHTED THE SENATE ACTIVITIES IN ITS EVENING SESSION.

SENATOR BORJA OF THE MARIANAS OPPOSED THE PASSAGE OF THE BILL SAYING THAT IT IS NOT RIGHT TO GIVE THE HIGH COMMISSIONER SUCH AN AUTHORITY. SENATOR OLTER OF PONAPE ADDED THAT THE ECONOMIC DEVELOPMENT FOR MICRONESIA HAS NEVER BEEN THE IDEA OF THE PRESENT ADMINISTERING AUTHORITY. HE SAID THAT THE POWER SHOULD BE IN THE DISTRICT TO FACILITATE DECENTRALIZATION OF THE GOVERNMENT.

SENATOR SALII OF PALAU SUPPORTED THE BILL SAYING THAT "WE ALL KNOW THAT THE DISTRICT BOARDS DO NOT KNOW THE WAYS IN WHICH THE BOARDS HAVE BEEN VERY NEGATIVE TO OUTSIDE INVESTMENT WITHOUT KNOWING THAT THESE INVESTMENT COULD DEVELOP OUR ECONOMY." SALII CONCLUDED BY SAYING THAT "IF WE WANT TO DEVELOP OUR ECONOMY, LET US GIVE IT TO THOSE WHO HAVE THE "KNOW HOW" AND THE MONEY." ACTION ON THE BILL WAS DEFERRED.

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PM-04 PA-02 1035 W INFO OCT=01 EA=09 IO∞11 L=03 064672 P 291158Z FEB 76 FM HICOMTERPACIS SAIPAN MARIANAS ISLANDS TO ALDISTADS TERPACIS TT LNO GUAM MARIANAS ISLANDS. TT LNO KWAJALEIN MARSHALL ISLANDS COMNAVMARIANAS GUAM MARIANAS ISLANDS CINCPACREP GUAM/TTPI GUAM MARIANAS ISLANDS CINCPAC HONOLULU HI INTELLIGENCE GENTER PACIFIC (IPAC) NAVINVSERVO GUAM MARIANAS ISLANDS COMTWELVE SAN FRANCISCO CA RUEHC /SECSTATE WASHINGTON DC SECDEF WASHINGTON DC JCS WASHINGTON DC CNO WASHINGTON DC CINCPACELT MAKALAPA HI CINCPACAF HICKAM AFB HI CGFMFPAC CAMP H M SMITH HI COMCBPAC PEARL HARBOR HI NAVFACENGCOMHQ ALEXANDRIA VA CCGDFOURTEEN HONOLULU HI.

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UNCLAS. SECTION 02 OF 02 BLOW TO THAT FUTURE."



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FURTHER DISUNITY, SETIK CONCLUDED, WOULD HEAN THAT MICRONESIA WOULD LOSE CONTROL OF THE VAST PACIFIC AREA AND TURN ITS SCATTERED ISLANDS INTO "PREY TO THE GREAT POWERS AND INFLUENCES OF THE WORLD."

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