

7/28/76

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UNCLAS
CONTINUE PASS INFO FOR AMB WILLIAMS
SECSTATE PASS TO DEPT INT/SEC. INTERIOR/DOIA OSN
AMBASSY CANBERRA FOR PAC. ISL. MONTHLY
(TAX BILL POSTPONED)

KOLONIA, PONAPE, JULY 28 (MNS) ~~MEMBERS~~ MEMBERS OF THE HOUSE OF REPRESENTATIVES RECESSED ABRUPTLY WEDNESDAY DURING DISCUSSION ON A MEASURE WHICH WOULD PROVIDE FOR A GRADUATED INCOME TAX ON WAGES AND SALARIES, TO INCREASE THE TAX ON GROSS REVENUES AND TO PROVIDE FOR GREATER REVENUE SHARING WITH THE DISTRICT GOVERNMENTS, (HB 567).

THE MEASURE WAS ON THE CALENDAR FOR SECOND READING. DURING THE MORNING SESSION, THE HOUSE ADOPTED REP. CARMEN BIGLER'S AMENDMENTS WHICH WOULD PROVIDE THAT TAXES COLLECTED ON THE EMPLOYEES OF THE KWAJALEIN MISSILE RANGE WOULD BE RETURNED TO THE MARSHALL ISLANDS NITIJELA (LEGISLATURE) FOR APPROPRIATIONS BY THAT BODY. REP. BIGLER ARGUED THAT EVEN WITH THE RETURN OF TAXES COLLECTED ON KWAJALEIN TO THE MARSHALLS NITIJELA, THE MARSHALLS DISTRICT WOULD STILL PROVIDE THE BULK OF TAXES COLLECTED TO THE GENERAL FUND OF THE CONGRESS OF MICRONESIA. (SEE FOLLOWING STORY ON BIGLER'S SPEECH CONCERNING HER AMENDMENTS).

IN THE AFTERNOON SESSION HOWEVER, THE CHAIRMAN OF THE HOUSE COMMITTEE ON WAYS AND MEANS WHICH STUDIED THE BILL, RESIO MOSES, PROPOSED AN AMENDMENT TO REINSTATE A SECTION DELETED BY REP. BIGLER'S AMENDMENT. SOME MEMBERS QUESTIONED WHETHER SUCH A MOVE IS IN ORDER NOTING THAT DURING THE MORNING SESSION, THAT SECTION WAS DELETED.

FLOOR LEADER LUKE N. TMAN EXPLAINED THAT MOSES' MOTION TO REINSTATE CERTAIN SECTIONS DELETED BY BIGLER'S AMENDMENT IS IN ORDER. BUT BEFORE THE HOUSE COULD VOTE ON THE MEASURE, A MOVE WAS MADE TO RECESS UNTIL 10:00 A.M. ON THURSDAY (JULY 29). THAT MOTION PASSED.

IN OTHER HOUSE BUSINESS, ONE BILL PASSED SECOND READING AND SENT TO THE SENATE, ONE WAS FILED, AND ACTION ON THE OTHER WAS POSTPONED.

THE BILL THAT WAS APPROVED WAS A MEASURE WHICH WOULD APPROPRIATE \$300,000 FOR RECONSTRUCTION, REHABILITATION, AND RECOVERY PROGRAM OF TYPHOON MARIE IN PALAU DISTRICT, (HB 523). A MEASURE WHICH WOULD GIVE THE MICRONESIA COCONUT PROCESSING AUTHORITY THE POWER TO GUARANTEE LOANS TO PERSONS OR FIRMS INVOLVED IN THE COCONUT INDUSTRY, (HB 576) WAS FILED UPON THE RECOMMENDATION OF THE RESOURCES AND DEVELOPMENT COMMITTEE CHAIRED BY REP. SASAOU HARU OF TRUK. THE COMMITTEE STATED THAT THE FUNCTION OF LENDING MONIES FOR DEVELOPMENTAL PURPOSES SHOULD BE RETAINED IN GOVERNMENTAL ORGANS, SUCH AS THE MICRONESIA DEVELOPMENT BANK.

ACTION WAS POSTPONED ON A BILL TO APPROPRIATE \$400,000 FOR PURCHASE OF FOOD, CLOTHING, AND OTHER LIFE NECESSITIES FOR TYPHOON PAMELA VICTIMS WHICH RAVAGED TRUK DISTRICT RECENTLY AT THE REQUEST OF REP. SASAOU HARU UNTIL THE TRUK DELEGATION COULD GET TOGETHER TO IRON OUT THEIR DEFERENCES.

IN THE SENATE, THREE MEASURES PASSED SECOND AND FINAL READING AND SENT TO THE HOUSE FOR FURTHER CONSIDERATION. THEY WERE:

---A BILL TO ENABLE TRUK AND PONAPE TO JOIN YAP IN AN AIR TRANSPORTATION NETWORK WHICH WILL PROVIDE EMERGENCY MEDICAL EVACUATIONS, AIR AND SEA SEARCHERS, AND PASSENGER SERVICE TO AND FROM THE OUTER ISLANDS (SB 6-391);

---TO APPROPRIATE \$300,000 FOR THE STUDENT LOAN FUND AND ESTABLISH BASES FOR CANCELLATION OF LOANS; (SB 6-367); AND

---TO CALL TO A CONFERENCE OF MICRONESIAN LEADERS TO FORMULATE A UNIFIED POSITION ON THE LAW OF THE SEA, (SB 6-412).

CONCERNING A BILL TO DIRECT THE TRANSPORTATION AND COMMUNICATIONS DIRECTOR TO ENTER INTO AN AGREEMENT WITH PACIFIC MISSIONARY AVIATION SO TRUK AND PONAPE COULD JOIN YAP IN AN AIR TRANSPORTATION NETWORK, SENATOR BAILEY OLTER EXPLAINED THAT A SIMILAR BILL WAS VETOED BY THE HIGH COMMISSIONER AFTER THE REGULAR SESSION HELD EARLIER THIS YEAR ON SAIPAN BECAUSE THE ADMINISTRATION FELT THEY WOULD HAVE OBLIGATED TO ACQUIRE LAND.

SENATOR OLTER SAID THAT LAND FOR AIRSTRIPS ON THE OUTER ISLANDS IN THE NEW VERSION OF THE BILL HAS BEEN ANTICIPATED TO BE PRIVATELY NEGOTIATED.

A SUM OF \$100,000 WOULD BE APPROPRIATED TO CARRY OUT THE PROVISIONS ABOVE. SENATOR IENSI ASKED WHAT THE MONEY BE USED FOR. SENATOR OLTER REPLIED THAT THE MONEY WILL BE USED TO REPAIR REV. EDMUND KALAU'S AIRPLANE IN OKINAWA.

THE CHAIRMAN OF THE WAYS AND MEANS COMMITTEE ADDED THAT THE AMOUNT AS SPECIFIED IN THE BILL IS "TOO MINIMAL" AND THAT IT WILL BE UP TO THE OUTER ISLANDERS OF TRUK AND PONAPE TO VOLUNTEER LAND FOR THE AIRSTRIPS.

CONCERNING THE STUDENT LOAN FUND BILL, OLTER'S COMMITTEE REPORTED THAT "ONGOING WORK BY THE UNITED NATIONS DEVELOPMENT PROGRAMME INDICATES THAT NATIONAL PRIORITIES WILL REQUIRE A GREAT REDIRECTION OF FINANCIAL AND MANPOWER RESOURCES IF MICRONESIANS ARE EVER TO BE SELF-SUPPORTING."

"PART OF THE REDIRECTION MUST OCCUR IN TRAINING OUR YOUNG PEOPLE. RICH COUNTRIES CAN AFFORD TO USE GOVERNMENT RESOURCES TO ALLOW STUDENTS TO PURSUE VIRTUALLY ANY EDUCATIONAL DIRECTION THEY WISH. COUNTRIES LIKE MICRONESIA, WITH LIMITED FINANCIAL RESOURCES, MUST EXERT MORE DIRECTION IN ALLOCATING PUBLIC FUNDS, SO THE PRIORITY AREAS SUCH AS AGRICULTURE AND MARINE RELATED ACTIVITIES HAVE QUALIFIED PEOPLE TO FURTHER DEVELOP THEM," THE COMMITTEE POINTED OUT.

"WITH THIS IN MIND", OLTER'S COMMITTEE RECOMMENDS A "FURTHER REFINEMENT" IN THE BILL SO THAT CERTAIN PERCENTAGES OF THE LOANS SHOULD BE MADE FOR THOSE STUDENTS ENTERING PRIORITY AREAS.

THE WAYS AND MEANS COMMITTEE URGED THE HIGH COMMISSIONER THAT THE SCHOLARSHIP FUNDS BE USED PRIMARILY IN FIELDS "DIRECTLY RELATED TO AGRICULTURE, MARINE ACTIVITIES, PHYSICAL SCIENCES AND OTHER TECHNICAL AND PROFESSIONAL FIELDS.

"PUBLIC FUNDS AVAILABLE TO LIBERAL ART STUDENTS SHOULD BE VERY LIMITED FOR THE TIME BEING," THE COMMITTEE DECLARED.

THE THIRD MEASURE WHICH PASSED THE SENATE WAS A BILL CALLING FOR A CONFERENCE OF MICRONESIAN LEADERS TO FORMULATE AND DEVELOP A UNIFIED POSITION ON THE LAW OF THE SEA.

THE WAYS AND MEANS COMMITTEE STATED THE "COUNSEL OF MICRONESIAN LEADERS FROM ALL DISTRICTS WILL HAVE A SALUTARY EFFECT AND PROVIDE ADDITIONAL INPUT TO THE LAW OF THE SEA DELEGATION IN THEIR EFFORTS TO SECURE A FAVORABLE POSITION FOR MICRONESIA IN ANY TREATY WHICH MAY ARISE FROM THE UNITED NATIONS CONFERENCE ON THE LAW OF THE SEA."

THE BILL PROVIDES THAT THE SENATE PRESIDENT AND THE HOUSE SPEAKER SHALL CALL AND TO CONVEGE THE CONFERENCE NOT LATER THAN NOVEMBER 1976.

KNOWN AS "HOLD MICRONESIAN LAW OF THE SEA CONVENTION", THE CONFERENCE WOULD BE HELD IN EITHER TRUK OR PONAPE DISTRICT, AND THEIR MEETING SHOULD NOT EXCEED 20 CALENDAR DAYS.

IN OTHER SENATE ACTIVITIES, PRESIDENT HAKAYAMA APPOINTED SENATORS ANATA KABUA OF THE MARSHALLS; PETRUS TUN OF YAP; AND BAILEY OLTER OF PONAPE TO A COMMITTEE TO STUDY THE MEASURE ON THE LOCATION OF THE NEW CAPITAL OF MICRONESIA.

(BIGLER PROPOSES TO RETURN ALL KWAJALEIN TAXES TO MARSHALLS)

KOLONIA, PONAPE, JULY 28 (GNS) --- CONGRESSWOMAN CARMEN BIGLER TODAY INTRODUCED A FLOOR AMENDMENT TO A TAX BILL BEING CONSIDERED BY THE HOUSE. THE AMENDMENT WOULD RETURN ALL TAXES GENERATED BY KWAJALEIN OPERATIONS TO THE MARSHALL ISLANDS DISTRICT.

BEFORE SUBMITTING HER AMENDMENT, SHE REFERRED TO THE SECRETARIAL ORDER WHICH IN EFFECT PREVENTS THE MARSHALLS DISTRICT LEGISLATURE FROM PASSING ANY LAW RAISING THE TAX RATE ON SALARIES AND BUSINESS RECEIPTS ON KWAJALEIN ABOVE THE CURRENT RATE.

MRS. BIGLER SAID THE ORDER "WAS NOT FAIR" AND THAT SHE WAS ELECTED TO PROTECT THE INTERESTS OF THE MARSHALLS AND THAT "I FEEL I MUST SPEAK OUT."

SHE POINTED OUT THAT THE ORIGINAL REVENUE SHARING MEASURE WAS INTRODUCED BY MEMBERS OF THE MARSHALLS DELEGATION BECAUSE IT REPRESENTED A "FAIR AND REASONABLE DIVISION OF REVENUE BETWEEN THE NATIONAL GOVERNMENT AND THE DISTRICTS," NOTING THAT SINCE THE AMENDMENT TO THE ORDER NOW CHANGED THE PRACTICE OF REVENUE SHARING TO A POINT WHERE IT WAS NO LONGER FAIR.

"MR. SPEAKER, THE ONLY FAIR WAY TO THAT REVENUE DERIVED FROM KWAJALEIN IS TO RETURN IT ALL TO THE DISTRICT LEGISLATURE. IN REALITY... THE TAX REVENUE DERIVED FROM KWAJALEIN IS NOT REALLY TAX REVENUE AT ALL. IT IS COMPENSATION TO THE PEOPLE OF THE MARSHALL ISLANDS FOR USE OF KWAJALEIN, AND THUS ALL OF IT SHOULD REMAIN IN THE MARSHALLS", SHE SAID.

MRS. BIGLER NOTED THAT WHAT SHE WAS SAYING WAS "PROBABLY NOT VERY POPULAR" WITH HER COLLEAGUES IN THE HOUSE, SAYING THAT THEY PERHAPS THOUGH THAT THE MEMBERS OF THE CONGRESS WERE BEING "GREEDY", AND DID NOT WANT TO CONTRIBUTE THEIR SHARE OF COSTS OF OPERATING THE CENTRAL GOVERNMENT.

"BUT MR. SPEAKER, I SUBMIT THAT THE MARSHALLS HAS BEEN CROSSLY OVER SUPPORTING THE CENTRAL GOVERNMENT FOR MANY YEARS AND THAT EVEN IF WE GET A 100 PERCENT RETURN OF KWAJALEIN REVENUES WE WILL STILL BE CONTRIBUTING MORE TO THE CENTRAL GOVERNMENT THAN ANY OTHER DISTRICT". SHE CONCLUDED BEFORE SUBMITTING THE AMENDMENT. (SPYING CHARGES WILL BE INVESTIGATED --A.G.)

KOLONIA, PONAPE, JULY 28 (GCM) --- THE OFFICE OF ATTORNEY GENERAL OF THE TRUST TERRITORY HAS RESPONDED TO CHARGES MADE YESTERDAY BY REPRESENTATIVE AJAJI BALOS THAT A SPECIAL INVESTIGATOR OF THE DEPARTMENT OF PUBLIC SAFETY HAS SPIED ON CITIZENS AND RESIDENTS OF MICRONESIA AND SENT INFORMATION TO U.S. INTELLIGENCE AGENCIES.

TESTIFYING BEFORE A JOINT COMMITTEE OF THE CONGRESS OF MICRONESIA WEDNESDAY DEPUTY ATTORNEY GENERAL MAMORU NAKAMURA SAID TO HIS KNOWLEDGE HE WAS "UNAWARE" OF SUCH ACTIVITIES. HE SAID IT ATTORNEY GENERAL DANIEL J. HIGH, AS A RESULT OF CONGRESSMAN BALOS' CHARGES, ASKED HIM TO INFORM THE CONGRESS THAT IF SUCH ACTIVITIES HAD BEEN CARRIED OUT IN THE PAST THAT "THEY WOULD BE STOPPED." "WE DO NOT KNOW IF SUCH ACTIVITY WAS CONDUCTED BY THE OFFICE," HE SAID.

NAKAMURA, TESTIFYING CONCERNING THE REORGANIZATION OF THE OFFICE OF ATTORNEY GENERAL, INFORMED THE CONGRESS THAT AN OFFICE OF INVESTIGATION HAD BEEN ESTABLISHED ONE MONTH AGO. HE SAID AS SOON AS STAFF IS RECRUITED FOR THE OFFICE, ONE OF THEIR FIRST FUNCTIONS WOULD BE TO INVESTIGATE THE CHARGES MADE AGAINST GOVERNMENT OFFICIALS, AND GOVERNMENT EMPLOYEES, "EVEN IF IT MEANS INVESTIGATING MEMBERS OF OUR OWN STAFF," NAKAMURA STATED.

NAKAMURA ASSURED THE CONGRESS THAT THE NEWLY APPOINTED ATTORNEY GENERAL SAID HIS OFFICE WOULD PERMIT THE MEMBERS OF THE CONGRESS OR DILY AUTHORIZED REPRESENTATIVES TO VIEW THEIR OWN FILES, UNDER APPROPRIATE ARRANGEMENT AND AS LONG AS THEY DO NOT JEOPARDIZE THE OUTCOME OF ONGOING AND PENDING CASES.

NAKAMURA SAID THAT THE PRIMARY FUNCTION OF THE NEW OFFICE OF INVESTIGATION WOULD BE "DETECTION AND GATHERING OF EVIDENCE LEADING TO PROSECUTION OF CRIMES AGAINST PUBLIC OFFICIALS AND GOVERNMENT EMPLOYEES...AND CONDUCT OTHER INVESTIGATIVE WORK AT THE DIRECTION OF THE ATTORNEY GENERAL."

BALOS CHARGED IN A SPEECH IN THE HOUSE OF REPRESENTATIVES TUESDAY THAT A SPECIAL INVESTIGATOR OF THE TRUST TERRITORY OF THE DEPARTMENT OF PUBLIC SAFETY HAD "ACTIVELY SPIED" ON CITIZENS AND RESIDENTS OF THE TRUST TERRITORY AND SENT REPORTS TO THE OFFICE OF THE U.S. NAVAL INTELLIGENCE AND FEDERAL BUREAU OF INVESTIGATION. BALOS SAID FILES PROVING HIS ALLEGATIONS HAD ALREADY BEEN OBTAINED FROM THE FBI UNDER THE FREEDOM OF INFORMATION AND PRIVACY ACT OF THE UNITED STATES.

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