

Draft Testimony

July 1, 1985

Mr. Juan T. Lizama
Chairman, Government Relation's Committee
Constitutional Convention
Saipan, CM 96950

Dear Mr. Lizama:

The Board of Trustees does not understand how ConCon proposals numbered 11-85, 87-85 and 133-85 would aid in the administration of MPLT funds held for the benefit of CNMI citizens and residents. Our responsibility is limited solely to maintaining stewardship of the funds in order to maximize the net available after reasonable expenses of administration. It is the Legislature's responsibility to appropriate these revenues as they see best to benefit the CNMI as a whole.

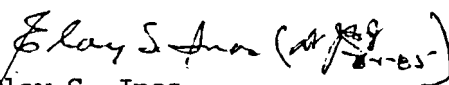
It appears to us that an increase in the number of trustees from three to five will only increase costs of administration without enhancement of the beneficiary interests. We expect that it would be more difficult to have quorum at meetings and would increase the complexity of administration. Our board number has proven to be very efficient especially when having to meet in emergency session on short notice.

Not only would an increase in board numbers sacrifice efficiency, but if they are from Tinian and Rota, the cost of administration would be increase due to travel, hotel and per diem expenses which the Trust is not currently experiencing. We find no rational for selection of trustees based upon where they reside, their gender or descent. The trustees manage a significant fund which is a source of material revenue production for the General Fund. The criteria for the trustees need to be primarily based upon proven financial management experience.

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The Board of Trustees thanks this Committee for an opportunity to submit this written testimony. If we can be of further help, please let us know.

Sincerely,


Eloy S. Inos
Chairman

ESI/klm