

Marianas Public Land Corporation

P.O. Box 380 Saipan, CM 96950

July 2, 1985

Mr. Lorenzo I. Guerrero, Chairman Committee on Finance and Other Matters 2nd Constitutional Convention saipan, CM 96950

Dear Mr. Chairman:

Thanks for the opportunity to be part of the review of the delegate proposals which are assigned to your Committee. My comments are as follows:

<u>5-85</u>

The intent is noble especially in view of our previous experience. However, it is not fair to set a spending ceiling for only one agency or branch. This is best left to our leaders to work out the allocation of our resources. This is a budgetary issue and not a constitutional issue.

68-85

Same as above.

85-85

This is already addressed in the Constitution. What is needed is to require our leaders to conform.

89-85

Assessed valuation is more realistic than market value. The latter denotes that the property is marketable. This is not so with our public real property. The additional 10% of previous year's expenditure is a poor basis. In reality, there is no value of what had already been expended aside from durable assets.

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99-85

There is already an act regarding the budget process and requirements. In my opinion, the Act sufficiently addresses the concerns in the proposal.

108-85

This is more of a statutory issue than constitutional. Our leaders should be given flexibility to determine who should be allowed to incur entertainment expense, what are considered within this type of expense, who are considered official guests, etc.

110-85

When an agency is created to operate autonomously, it is purposefully done because a determination is made that that agency cannot effectively and efficiently operate within the regular government department and to minimize undue political influence in the decision-making process. To subject these agencies to legislative approval of their budget is stripping away their autonomy and could seriously hamper their timely performance. It should be noted that our autonomous agencies are operating at a higher level efficiency than our regular government departments. Accordingly, more flexibility should be encouraged instead of being restricted further.

132-85

To my knowledge, all autonomous agencies are operating within their means. At times, debt funding is required to finance capital layout. For most autonomous agencies, this is the only source of funding. To take away this flexibility might seriously jeopardize the effectiveness of the agencies in fulfilling their objectives.

31-85

Real estate tax is one source that could readily be tapped by our leaders to augment their responsiveness in providing the necessary services regarding the processing of land transactions or for providing other services which are urgently needed by the public. Our total dependent on Mr. Lorenzo I. Guerrero Page 3 ; July 2, 1985

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Uncle Sam is not forever. The time is getting nearer when we will be asked to be more responsible to ourselves. Let's not restrict the flexibility of our leaders in their obligation to serve the public. If a real estate tax is enacted and not palatable to the public, there is a means through which the public could rescind the law.

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66-85

Addressed under 89-85.

69-85

Earmarking of revenue has been proven time and again to be a very poor public policy. Generally, earmarking of revenue is done to accomplish specific purpose which could otherwise be adversely affected if it were to be funded through regular appropriation procedure. There is also the question of equitable distribution. What is the basis for the distribution? Why restrict to this one type of revenue? Why not distribute all the other revenues?

<u>72-85</u>

Good! We should also include to prohibit any casino gambling operation.

4-85

I strongly feel that the Constitution should spell out the code of ethics rather than directing the legislature to adopt one. There are a few similar directives in the Constitution which the legislature has yet to address. Also, it would be simple and effective to provide the penalty of removal from office and mandatory restitution for assessed damage.

108-85

No objection except that the present seal is more representative of our political status relationship with Uncle Sam.

6-85

This is an administrative procedure to assure maximum return from the expenditure of public funds. It should not be even mentioned in the Constitution. Mr. Lorenzo I. Guerrero Page 4 July 2, 1985

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41-85

This is a necessity more than just convenience and should be extended to the overall administration of the government operation.

Feel free to call if you need further discussion.

Sincerely,

Jesus G. Villagomez Executive Director

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