On My Mind 4/15/06

As one pundit put it, the administration has not done a very good job of packaging its proposal to cut government worker salaries. Among other things, neither Finance Secretary Eloy Inos' power point presentation nor Office of Management and Budget's Tony Muna's mind-numbing parade of figures - which together took up a full hour of the scheduled hearing this past Wednesday evening - revealed the real reason why cutting salaries is so crucial.

The fact is - and it struck me only afterwards - that the administration faces a severe cash-flow problem that threatens its ability to issue the required government employee pay-checks for the rest of this fiscal year. In other words, the need is now. All of the other cost-cutting ideas, proposals, suggestions that were made that night and have been made elsewhere might work, but they don't solve the immediate problem: how to put their hands on enough cash to meet payroll. Only by cutting the amount required, it appears, will government be able to avoid pay-less paydays.

Maybe, if the problem had been presented in those terms, and if the administration had thought far enough ahead to also tell people how long the cut would remain in effect, and how - if at all - the cuts would be compensated for, there might have been less rejection of the proposed pay cuts.

It goes without saying that, in order to gain acceptance, the cuts would also have had to be seen as fair. Exempting all the higher-paid government employees - and particularly the VERY high paid members of the judiciary, not to mention the governor, lieutenant governor, etc. - is, as one speaker said at the hearing, downright discriminatory. The rhetoric that the high salaries are protected by the Constitution is in error: the Constitution merely states that the salaries are to be set by law. And there's nothing to prevent the legislature from changing those laws.

Moreover, it would also seem more fair if a system of graduated pay cuts had been proposed, with those with lesser incomes given a lesser cut, and those with higher incomes a greater cut.</P>

For the longer term, an increase in income taxes and a gradual reduction of tax rebates would seem the most logical and workable proposals. As noted historian Sam McPhetres noted, no one else rebates taxes to the tax payer, and certainly, the U.S. Congress would look askance if the CNMI asked for operational funding while it gave its income tax revenues back to the payees. Eventually, the CNMI will have to reduce the size of its government - both the size of the House - though perhaps not to the extreme suggested by Paz Youniz, head of the Humanities Council - and the total number of employees. A budget that shows 75% of its revenue going to personnel - as does the CNMI government's - is badly out of balance.

While on the subject of budgets and revenue and expenses, actually carrying out a little-known provision of the Constitution might just provide some very enlightening - and useful - information in these times of revenue shortfalls. Article 10, Section 2, of the CNMI Constitution states,

"Every five years the governor shall report to the legislature on the social, fiscal and economic impact of tax exemptions provided by law. The report may include recommendations by the governor on tax exemption policy or laws." Has such a report ever been made????? If not, why not? And if so, what did it say?

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Even thought it is not quite as critical an issue for the CNMI at the moment, it might behoove local legislators - and attorneys - to pay close attention to current attempts by the U.S. Congress to reform federal immigration law. Though the proposed bill failed to pass last week, it came close, and speculation is that it will pass once Congress re-convenes. While its provisions would not directly affect CNMI immigration laws, since at the moment the CNMI maintains control over its own immigration, this authority may well come under attack once again in the not-too-distant future. The discussions surrounding the bill, the debate on the bill, the

provisions of the bill itself all offer a wealth of ammunition to the CNMI for its position that

"immigrant" labor plays a vital role in both the economy - and in society.</P>

New York Times columnist David Brooke, for example, was quoted in a recent issue of the International Herald Tribune as saying that Hispanic immigrants 'bring back values to society.' (The same could doubtlessly also be said of immigrants of other nationalities). They work hard and their money is spent on wholesome things - including support of their parents; they have strong families and low divorce rates; their values lead to success. He said that U.S. immigrants' long term contributions more than compensate for the short term strains they may impose on schools, hospitals and the like.</P>

Local leaders, legislators and attorneys might also want to take a close look at those provisions of the federal bill that deal with the eventual integration of illegal immigrants into the U.S. As it stands, the bill provides that illegal immigrants in the U.S. five years or more would be eligible to apply for legal status without having to leave the country; those in the U.S. between two and five years would have to leave the country but also become eligible to apply for legal status, while those in the country for less than two years would be required to leave, and to apply through the existing quota system.

Though those provisions of the U.S. bill apply only to illegal immigrants, because there already are paths for legal immigrants to follow for becoming residents and acquiring citizenship, the procedures spelled out in the bill should be instructive for the CNMI. At some point, the CNMI, too, will have to deal with improving the status for foreign workers who have lived in the CNMI for many years. Here, the five-year threshold may be too short - the Dekada group might gain more support if it returned to its original position of a ten-year stay as threshold. Regardless, however, monitoring the debate on the mainland - and the huge demonstrations that have accompanied it - might be a very worthy exercise for all concerned.

An interesting example of the Western, Euro-centered thinking of many on the mainland showed up in one of those lengthy articles New Yorker magazine keeps publishing - this one, in the February 6 issue, about actions of Cardinal Joseph Ratzinger before he became Pope Benedict XVI. The major focus of the article is on present-day attitudes in Germany towards its World War II soldiers, and particularly, the present-day attitude of the Pope. In the telling,

mention is made of then Cardinal Ratzinger's visit to La Cambe, a cemetery in France for 21,000 of what is described as "German war dead." The dead include known members of an elite Nazi military division. Little attention was paid to his visit at the time. But it became more of an issue at the time of his ordination. I am not sure why this article appeared now, a year later - I could find no find mention of any "trigger" action.

But I did find it very interesting that despite the extensive treatment of the issue, not a word was said about the exact same issue that has arisen in this part of the world. Japanese Prime Minister Junichiro Koizumi - the longest serving prime minister in Japan - has aroused controversy again and again by insisting on visiting the Yasakuni Shrine to pay his respect to Japanese war dead. The shrine, located in downtown Tokyo, honors 2.5 million Japanese who died in the wars in the 19th and 20th centuries, but also includes war criminals from World War II like wartime prime minister Hideki Tojo.

I know that New York is all the way on the eastern edge of the U.S. mainland, but it does seem a little parochial, to say the least, that the New Yorker would print something quite so insular.</P>

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It's still not perfect, but at least now, thanks to the CNMI Law Revision Commission, the general public does have access to the table of contents of the CNMI's Commonwealth Register. To see what regulations are being proposed, which have been adopted, what Attorney General legal opinions have been issued, etc., go to the LRC web page <www.cnmilaw.org> and click on "legal documents" on the left side of the screen. Then click on Commonwealth Register.</P>

It is still necessary to go to the Attorney General's office to read the actual contents of the Register, but at least now people will know whether it contains anything they should know or care about, whether it's worth making the trek up to the AG's Capitol Hill office.</P>

The Register is issued monthly - on no fixed date - toward the end of each month. Each issue contains proposed regulations to give interested parties an opportunity to comment on what is being proposed (they have 30 days from the date of publication to do so). It also includes the most recent regulations that have met the 30 day requirement and have now been adopted.

The LRC is offering a subscription to the Register via e-mail.</P>

A compilation of all of the CNMI government agencies' regulations currently in effect - a massive undertaking which took three years to complete - has just been issued for the first time. The NMI Administrative Code is available in hard copy from the LRC.</P> <P align=center>****</P>

A funny statement appeared in the Marianas Variety last week. Tuesday's issue, on page 6, in a story from Guam, says that prisoners there now have access to legal statutes through WestLaw, an online legal research software program. "But," continues the story, "while

inmates can use the software they are not allowed to use the Internet freely at all." Hmmm. Wonder how that's managed.</P>

Only one new movie this week, another PG 13, making the ratio 5 PG 13s, 1 PG, 1 R.</P>