## 12/9/11

Once again, the CNMI observed a Commonwealth holiday (yesterday, December 8, Constitution Day) without any announced ceremonies in honor thereof. The Commonwealth may be undergoing difficult times, but that doesn't mean one can't take pride in one's history and heritage. The Constitution has now endured for some 35 years, and though it may have been altered more than most - the U.S. Constitution, for example, has only been amended 27 times in the 223 years of its existence, while the CNMI Constitution has been amended more than 38 times already - it is, nonetheless, the structure that holds the CNMI together and keeps it functioning.

How was it observed? The *Marianas Variety* gave it coverage on page four of yesterday's issue, reporting on a "joint statement" that the governor and lt. governor apparently gave out to the media at some point. The *Saipan Tribune*, on the other hand, didn't mention it at all! At a time when spirits are flagging due to the threat of imminent death of the Retirement Fund, of an imminent rise in utility costs, increases in the cost of health insurance, the costs of austerity measures, the remaining unknowns on the foreign labor scene, an up-beat message about the resiliency of the CNMI, about its successful survival so far, of the promise of its future, sure would have been nice. Surely a leader who claim his heart belongs to the people could have at least offered that? And what about honoring all those who were involved in the crafting of the Spirit.

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Instead, the CNMI administration, according to the cognoscenti, has once again deliberately undercut an attempt to promote the well-being of the Commonwealth. Just this past week, the governor, claiming it was unconstitutional, vetoed House Bill 17-163, which would have provided a new source of revenue for the CNMI by levying a tax on the off-island income of foreign businesses located in the CNMI.

Yet, by deleting any reference to income tax and tax rebates - the source of the possible unconstitutionality of the measure - and calling them something else instead, the bill would not have been challenged, say experts in the field. Instead of sending the bill back for amendment, though, the governor vetoed it, leaving it up to the legislature to figure out a way to revive it which it, in turn, has shown no intention of doing

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An editorial in today's *Variety* offers some tantalizing suggestions for additional sources of revenue. The suggestions are made in the context of off-setting a continuation of the pay-roll tax cut now being deliberated in the U.S. Congress, but some version, at least, would seem suitable for application in the CNMI as well. Listed: eliminating subsidies; and taxing pollution and waste, energy inefficiency, gasoline and other motor fuels, and value-added consumption. Objections to sales taxes (taxing value-added consumption) in the CNMI are very strong, but would anyone object if, for example, it amounted to only one penny per item under \$10.00, two cents for any item between \$10 and \$20, three cents for any item between \$20 and \$30, on up the line? That would help do away with the silly sales at "only \$x.99" stores are so fond of holding.

More importantly, it would begin to build a sense of ownership in the minds of the consumers as to just where and on what "their" money was being spent. And it would generate new revenue. Would it collect enough to make it worth the effort to collect it? Would it need a flat percentage per purchase? or a higher figure? Should it be raised, but exempt food?

Whatever the answer, it might behoove members of the legislature to change their perspective, and look at sources of revenue-generation that would curb undesirable programs and activities, rather than those that punish hard-pressed businesses. Raising the penalties for speeding, for domestic violence, for assault, for theft, and for littering - to name just a few undesirable activities - might be a place to start. As well, there's always the option of legitimizing the "ladies of the night" and collecting business licences from all of them....

There's always the alternative of cost-cutting, for which American Memorial Park has certainly set a good example. Not only has the entire roof of the theater now been covered with solar panels, but it has also raised the thermometer setting inside. No longer is it necessary to bring sweater or shawl to events scheduled there. And it has installed motion-sensitive lights for its rest-rooms.

The legislature doesn't meet at night, but it could at least raise the temperature inside, so that long sleeved shirts and sweaters would no longer be needed to keep warm. Keeping the place so cold wastes fuel oil and consumes power that is being paid for, not by the legislature or the government, but by CUC's residential and commercial customers.

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Former governor and now Chief Executive Officer of the Commonwealth Health Corporation Juan N. Babauta offered many a quotable quote in his speech to the Chamber of Commerce earlier this week: "All [CHC] services have value and I intend to collect that value." "Raising fees is not going to solve the problem." "If the legislature and the governor have the political will to stay the course, [that will] lead the corporation to financial solvency.""[We will] be caught up with billing and collection in six months to a year." "I don't accept that [things are] unachievable, or that if [some things] haven't been done, they can't be done." He also talked of providing a "market-oriented health care delivery system," of finding newer and more efficient ways of doing things that would "plug the holes of the sinking ship."

But he said a lot of unnecessarily disparaging things along the way, and not once did he mention any of the personnel at CHC - those hard-working doctors, nurses and staff who have loyally stayed with CHC, who have put up with long hours, delayed pay-checks, difficult working conditions, who are what has kept the hospital functioning as well as it has up until now. He will need their continuing dedication in order for the "new" CHC to function. He might better pay them some attention - sooner rather than later.

In discussing some of the actions he may be taking to improve CHC operations - such as outsourcing the cafeteria and patient meal services and closing the dental clinic - he also mentioned his intent to acquire a hyperbaric chamber, totally ignoring the work of the CHC volunteers, who have made this a goal for the past several years.

Nor does his management team inspire confidence. Few among them have any extensive business experience, or experience in health care. And he made some downright factual errors about Medicaid coverage and its cost to the CNMI as CNMI Representative to the House of Representatives Kilili Sablan has since pointed out. There is no doubt that Babauta faces a big challenge - fraught with politics as it is. We wish him well, for our sake as well as his.

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This year's Art Council's Christmas show has fallen victim to the government's austerity measures. With the shortage of staff, its hours of operation are not quite as advertised - best to call (322-9982, 83), or check with the Council office next door if one wants to see the show - and many of the objects on display still lack labels, price tags. In fact, not even all of the submitted articles are yet hung. Volunteers would help - but seem in short supply, and under-utilized. Once again, it is located at Capital Hill. Apparently, that was a last minute change - it had been supposed to open again at the Hyatt, but was cancelled just days before its scheduled opening. There are interesting changes in what is displayed. Artist Joe Kani has more scenes, less flowers. Photographer Larry Lee has some paintings on display, no less. Leslie Ware, who exhibited at the Arts Festival earlier this year, is on display. It would be a nice show, but it looks, feels - and is - unfinished, incomplete, more's the pity.

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Short takes: - The businesses complaining that the 6-foot aluminum fence around the site of the future Saipan Leadership Memorial Kiosku in Chalan Kanoa is blocking customers from seeing their store fronts should ask that the construction crews paint the businesses' store names on the fence. Wouldn't that solve at least part of the problem?

- Micronesian Seminar's *Micronesian Counselor* seems to have fallen off the horizon. The institution was supposedly undergoing re-evaluation last year. A pity that all of its products seem to have been put on hold as a result. We eagerly await its revival and resurgence, and all that comes with it.

- The Chamber's holiday surprise guest at its monthly membership meeting this week had some lovely comments of his own. William Wanket's Santa expressed incredulity at the request for his tax rebate by one attendee. 'Do you mean they tax you, and then when you pay, they give it back to you? Even if they need the money?' he asked. To the request from a contractor that Santa arrange payment for him of his invoice to the government for services rendered, Santa finally refused, saying that was a wish from the pocketbook, and Santa only granted wishes from the heart. And when the Chamber's Executive Director asked for "only one or two good garment factories," a most astute Santa asked, "But isn't that what got you into trouble in the first place?"