

4-03-90



Territory of Guam
Territorio Guam

OFFICE OF THE GOVERNOR
LIFSINAN I MAGA'LAHI
AGANA, GUAM 96910 U.S.A.

MAR 20 1990

The Honorable Joe T. San Agustin
Speaker, Twentieth Guam Legislature
Post Office Box CB-1
Agana, Guam 96910

Dear Mr. Speaker:

Transmitted herewith is Bill No. 1073, which I have signed into law this date as
Public Law No. 20-138.

Sincerely,

Joseph F. Ada
JOSEPH F. ADA
Governor

Attachment



Commonwealth of the Northern Mariana Islands

TWENTIETH GUAM LEGISLATURE
1990 (SECOND) Regular Session

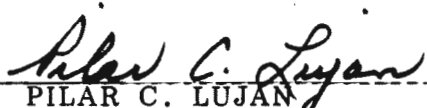
CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

This is to certify that Substitute Bill No. 1073 (COR), "AN ACT APPROPRIATING OPERATING FUNDS TO THE COMMISSION ON SELF-DETERMINATION, APPROPRIATING FUNDS FOR AGAG BOULEVARD IN DEDEDO, TO FUND THE OPTION 1 PAY RAISES, AND TO ADD §§1707 AND 1708 OF TITLE 1, GUAM CODE ANNOTATED, REQUIRING STATUS REPORTS ON GUAM'S QUEST FOR COMMONWEALTH," was on the 2nd day of March, 1990, duly and regularly passed.



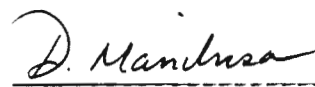
JOE T. SAN AGUSTIN
Speaker

Attested:



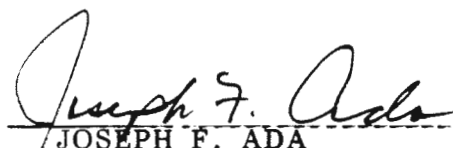
PILAR C. LUJAN
Senator and Legislative Secretary

This Act was received by the Governor this 9th day of March, 1990,
at 5:02 o'clock p.m.



Assistant Staff Officer
Governor's Office

APPROVED:



JOSEPH F. ADA
Governor of Guam

Date: MAR 20 1990

Public Law No. 20-136

TWENTIETH GUAM LEGISLATURE
1990 (SECOND) Regular Session

Bill No. 1073 (COR)
As substituted by the Committee
on Ways and Means and further
substituted by the Committee on
Rules

Introduced by:

F. R. Santos
C. T. C. Gutierrez
T. S. Nelson

M. Z. Bordallo
H. D. Dierking
F. J. A. Quitugua
D. F. Brooks
M. C. Ruth
J. T. San Agustin
J. P. Aguon
E. P. Arriola
J. G. Bamba
E. R. Duenas
E. M. Espaldon
P. C. Lujan
G. Mailloux
M. D. A. Manibusan
D. Parkinson
E. D. Reyes
T. V. C. Tanaka
A. R. Unpingco

AN ACT APPROPRIATING OPERATING FUNDS
TO THE COMMISSION ON
SELF-DETERMINATION, APPROPRIATING
FUNDS FOR AGAG BOULEVARD IN DEDEDO,
TO FUND THE OPTION 1 PAY RAISES, AND
TO ADD §§1707 AND 1708 OF TITLE 1, GUAM
CODE ANNOTATED, REQUIRING STATUS
REPORTS ON GUAM'S QUEST FOR
COMMONWEALTH.

1 BE IT ENACTED BY THE PEOPLE OF THE TERRITORY OF GUAM:
2 Section 1. Three Hundred Ninety-Seven Thousand Three Hundred
3 Seventeen Dollars (\$397,317) are hereby appropriated from the General
4 Fund to the Commission on Self-Determination for its operations,

1 professional service contracts, travel and expenses and quarterly reports
2 from January 1, 1990 through September 30, 1990.

3 Section 2. No later than August 1, 1990, the Commission on
4 Self-Determination (the "Commission") shall submit comprehensive reports of
5 all its activities since January 1, 1990, including a report on the February
6 22-23, 1990 meeting with the Interagency Task Force on the Guam
7 Commonwealth Act and other subsequent discussions with either the U.S.
8 Congress or the Executive Branch of the U.S. Government; all time and
9 charges statements; all legal memoranda, opinions and strategies; all public
10 relations plans, outlines, and progress reports; all travel accounts,
11 miscellaneous accounts, ordinary accounts. Thereafter, a public hearing
12 will be conducted by the Committee on Ways and Means of the Legislature to
13 provide for appropriate planning and funding levels for the Commission for
14 the next fiscal year.

15 Section 3. Seventy-Five Thousand Dollars (\$75,000) are hereby
16 appropriated from the General Fund to the Department of Public Works to
17 provide access through the traffic island in Agag Boulevard, Dededo.

18 Section 4. Section 5 of Public Law 20-65 is hereby amended to read:

19 "Section 5. Thirty-Nine Million Dollars (\$39,000,000) are
20 appropriated from the General Fund to the Option 1 Retroactive Pay
21 Raises Fund hereby created (the "Fund"), which Fund shall be
22 administered by the Department of Administration. The Fund shall be
23 expended for payment to employees necessary to implement Sections 1,
24 2, and 3 of this Act. Any balance in the Fund as of November 1,
25 1990 shall revert to the General Fund."

26 Section 5. §§1707 and 1708 are hereby added to Chapter 17 of Title 1,
27 Guam Code Annotated, to read:

28 "§1707. Quarterly reports. At the end of every calendar
29 quarter, the Commission shall transmit to the Legislative Secretary and
30 to the Nieves Flores Public Library, its report on the status of Guam's
31 efforts to secure approval and implementation of the draft
32 Commonwealth Act, such report to contain details of the Commission's
33 communications with Federal officials in its ongoing attempt to secure
34 commonwealth status, all contracts executed, property acquired,

1 transferred or disposed of, funds encumbered therefor, and increases
2 or reductions in numbers of staff employees or consultants with the
3 names of the persons concerned.

4 §1708. Independent audit. In accord with §11101 of Title 2,
5 Guam Code Annotated, the Legislature shall annually cause an audit to
6 be made by an independent audit firm, at least one of whose members
7 is a certified public accountant, of all accounts and financial
8 transactions of the Commission, which audit shall be under the
9 direction and supervision of the Legislature."

TWENTIETH GUAM LEGISLATURE
1989 (FIRST) Regular Session

ROLL CALL SHEET

Bill No. 1073

Date: 3/2/90

Resolution No. _____

QUESTION: _____

	<u>AYE</u>	<u>NAY</u>	<u>NOT VOTING</u>	<u>ABSENT</u>
J. P. Aguon	✓			
E. P. Arriola	✓			
J. G. Bamba	✓			
M. Z. Bordallo	✓			
D. F. Brooks	✓			
H. D. Dierking	✓			
E. R. Duenas	✓			
E. M. Espaldon	✓			
C. T. C. Gutierrez	✓			
P. C. Lujan				✓
G. Mailloux	✓			
M. D. A. Manibusan	✓			
T. S. Nelson	✓			
D. Parkinson	✓			
F. J. A. Quitugua	✓			
E. D. Reyes	✓			
M. C. Ruth	✓			
J. T. San Agustin	✓			
F. R. Santos	✓			
T. V. C. Tanaka	✓			
A. R. Unpingco	✓			

20

1

Introduced

TWENTIETH GUAM LEGISLATURE
1989 (FIRST) Regular Session

DEC 28 '89

Bill No. 1073 (COR)

Introduced by: COMMITTEE ON RULES
(at the request of the Commission on Self-Determination)

AN ACT MAKING AN APPROPRIATION TO THE
COMMISSION ON SELF-DETERMINATION FOR ITS
OPERATION FOR THE CALENDAR YEAR 1989.

1 BE IT ENACTED BY THE PEOPLE OF THE TERRITORY OF GUAM:

2 Section 1. There is appropriated the sum of Six Hundred
3 Eighty One Thousand One Hundred Fifteen Dollars (\$681,115) to the
4 Guam Commission on Self-Determination from the General Fund for
5 Calendar Year 1990 operations, professional service contracts,
6 travel, and a quarterly report.

Twentieth Guam Legislature

163 Chalan Santo Papa St.
Agana, Guam U.S.A. 96910
(671) 472-3407/8/9/10



Chairman, Committee
on Ways & Means
Vice-Chairman, Committee
on Tourism & Transportation

CARL T. C. GUTIERREZ
Senator

February 22, 1990

Honorable Speaker Joe T. San Agustin
Speaker, Twentieth Guam Legislature
163 Chalan Santo Papa
Agana, Guam 96910

Dear Mr. Speaker:

The Committee on Ways & Means wishes to report out its findings on BILL NO. 1073 to the full Legislature with the recommendation to do Pass as Substituted.

The Committee Voting Record is as follows:

TO PASS:	<u>8</u>
NOT TO PASS:	<u> </u>
ABSTENTIONS:	<u> </u>
REPORT OUT ONLY:	<u>2</u>
OFF-ISLAND:	<u>1</u>

Copies of the Committee Report and all pertinent documents are attached for your information.

Sincerely,


CARL T. C. GUTIERREZ

Twentieth Guam Legislature
Committee on Ways & Means
VOTING SHEET

BILL NO.
1073

AN ACT MAKING AN APPROPRIATION TO THE
COMMISSION OF SELF-DETERMINATION FOR OPERATIONS
UNTIL SEPTEMBER 30, 1990.

	<u>TO PASS</u>	<u>NOT TO PASS</u>	<u>TO REPORT OUT ONLY</u>	<u>TO PLACE IN INACTIVE FILE</u>
<i>B. Gutierrez</i> _____ Senator Carl T. C. GUTIERREZ Chairman	✓			
<i>H. Dierking</i> _____ Senator Herminia D. DIERKING Vice-Chairman	✓			
<i>John P. Aguon</i> _____ Senator John P. AGUON Member	✓			
<i>George Bamba</i> _____ Senator George BAMBA Member	✓			
<i>Doris Brooks</i> _____ Senator Doris BROOKS Member	✓			
<i>Ernesto Espaldon</i> _____ Senator Ernesto ESPALDON Member				
<i>Marilyn Manibusan</i> _____ Senator Marilyn MANIBUSAN Member	✓		✓ 2/27/90	
<i>Ted S. Nelson</i> _____ Senator Ted S. NELSON Member	✓			
<i>Don Parkinson</i> _____ Senator Don PARKINSON Member				
<i>Franklin J. A. Quitugua</i> _____ Senator Franklin J. A. QUITUGUA Member	✓			
<i>Martha C. Ruth</i> _____ Senator Martha C. RUTH Member	✓		2/27/90	

COMMITTEE REPORT

BILL 1073 (COR)

AN ACT MAKING AN APPROPRIATION TO THE COMMISSION OF SELF-DETERMINATION FOR OPERATIONS UNTIL SEPTEMBER 30, 1990.

The Committee on Ways and Means held a public hearing on January 22, 1990 at 8AM, which was adjourned until January 24, 1990 at 10AM, at which time testimony was taken.

Committee chairman Carl T. C. Gutierrez conducted the hearing, being joined by Senators George Bamba, Ernesto Espaldon, Doris Brooks, Madeleine Bordallo, Martha Ruth, Ted Nelson, and Tommy Tanaka.

BACKGROUND

The Commission on Self-Determination has been operating on a calendar year budget rather than the fiscal year budget that the government of Guam is utilizing. Although the calendar year for the Commission on Self-Determination was over on December 31, 1989, transfers of funds were utilized to fund the Commission through the initial months of 1990. Bill 1073, introduced on December 28, 1989, appropriates funds to the Commission for the calendar year of 1990. Because of the 'no negotiations' stance taken by the Commission at recent public hearings in Hawaii on the draft Commonwealth bill now pending before the United States Congress, and the reaction of the members of Congress and the federal officials of the Executive branch wherein it was indicated that a 'no negotiations' stance would be completely unproductive, a detailed public hearing was necessary to evaluate the expenditures of the Commission in 1988 and 1989, the chance the Commission has to eliminate the perceived roadblock in its relationship with the federal government in 1990, in order to more fully evaluate necessary funding and level and type of personnel services needed during 1990.

TESTIMONY

Written testimony was submitted by Simon A. Sanchez II, former Executive Director of the Commission on Self-Determination during a portion of the time period for which reports were submitted to the Committee, and Mr. David J. Lujan, member of the Commission on Self-Determination designated by the Commission members to provide testimony on Bill 1073. Written testimony was also submitted by Christine Cruz, Rory J. Respicio, Melissa Taitano and Joshua Tenorio, these representatives were from the Guam Youth Congress and are in favor of the passage of Bill 1073. Written testimony in favor of Bill 1073 was received in the mail from Frank G. Lujan, Esq.

Various written reports were submitted to the Committee from the Commission, consisting of the contract or retainer agreement between the government of Guam and Robinson, Lake, Lerer and Montgomery; 1989 activity report of Robinson, Lake, Lerer and Montgomery dated January

15, 1990; activity report Robinson, Lake, Lerer and Montgomery date June 30, 1989; invoices of Robinson, Lake, Lerer and Montgomery dated June 30, 1989, July 31, 1989, August 31, 1989, September 30, 1989, October 31, 1989, November 30, 1989; contract or retainer agreement between the government of Guam and Dorsey & Whitney dated April 28, 1988, and extension of contract dated September 13, 1988, April 2, 1988 memorandum from Director, Bureau of Budget and Management Research to the Governor advising that sufficient funds are available for the Dorsey & Whitney contract; 1988 invoices from Dorsey & Whitney dated June 7, July 25, August 19, September 22, October 26, November 21, and for 1989 dated January 31, March 2, March 29, April 28, May 31, June 30, July 31, September 30, October 31, November 30, and December 31. Additionally, 1988 activity reports of the legal counsel were submitted dated June 6, September 21, October 13, November 11, and for 1989 dated February 13, March 20, April 24, undated report from April 3 to September 29, dated October 31, and November 29. Other reports submitted were a 'working paper for the Commission on Self-Determination on the campaign to secure enactment of the Guam Commonwealth Act' consisting of 32 pages and a report entitled 'Potential Targets For Lobbying Campaign', July 22, 1988 letter from Michael F. Dukakis, 'Outline of Options Available in 1988 and early 1989 to the Guam Commission on Self-Determination in Campaign to Secure Enactment of the Guam Commonwealth Act', itinerary of Vice-President Walter Mondale for July 1988 in his visit to Guam, and travel information for Executive Director, First National Pacific Islanders Conference, Carson City, California January 24-26, 1990.

A memorandum from Dorsey & Whitney was also provided, originating from Bruce Aitken and Nancy Moyer-Olson enumerating co-sponsors of H. R. 98, the bill introduced by Congressman Ben Blaz to enact the Commonwealth of Guam.

A 95 page report entitled 'Commission Staff Report on the Responses of the Federal Inter-agency Task Force to the Guam Commonwealth Act dated January 3, 1990 was also submitted.

The Commission on Self-Determination submitted a summary of travel documents for calendar years 1987, 1988, and 1989, along with numerous attachments regarding particular travels for those years.

A letter dated January 22, 1990, from David J. Lujan, member of the Commission on Self-Determination to the chairman is also attached, following up the original date for the committee hearing for Bill 1073 being designated as January 22, 1990, but which needed to be subsequently adjourned to January 24, 1990.

A xerox copy of certain portions of U. S. Codes, specifically 48 U. S. C. S. §1501-1512 was attached along with two pages from a memorandum on those code sections prepared by the law firm of McCully, Swavely & Lannen, PC for an untitled lawsuit.

In addition to the above documentation, the following individuals testified in person and a summary of their testimony also follows:

1. SIMON A. SANCHEZ II:

After being initially asked by Chairman Gutierrez, the length of Mr. Sanchez's tenure as executive director of the Commission (19 months) and the fact that the present legal counsel and public relations firm were hired while Mr. Sanchez was executive director, Mr. Sanchez read in

its entirety his written testimony attached to this committee report. After his formal testimony, Chairman Gutierrez, Senator Bamba and Senator Espaldon asked Mr. Sanchez various questions.

Chairman Gutierrez inquired concerning the importance of Mr. Mondale in the Commission's law firm as far as moving the Commonwealth Act along in the congressional process. Specifically he wondered if the process could be moved along more quickly by legal services specifically as opposed to lobbying in a political sense. Mr. Sanchez agreed that the impasse at the present time is only political rather than legal in nature since Congress is the body that will be making the decision. Requested by the Chairman to define how the Commission can approach negotiations, Mr. Sanchez indicated that the Commission has tremendous flexibility because the act setting the Commission up has provided this and that the Commission would then be obligated to defend to the people those changes in the Commonwealth Act that the Commission wishes to accept. Congress, on the other hand, has the duty to defend changes that the Commission cannot accept.

The Chairman inquired whether it would have been better not to put the document before the people for a vote before approaching Congress. Mr. Sanchez indicated that the present procedure was the best. Chairman Gutierrez indicated that Congress wants Guam within the territorial clause and Mr. Sanchez indicated that new legal theories indicate that Congress can delegate very sophisticated powers.

Chairman Gutierrez indicated that he spoke to a renowned constitutional authority, Stephen Rosenfield, who recommended that Congress should pass a law suspending its total power over Guam for at least an interim period in order to allow Guam to negotiate on an equal footing with the Executive Branch. That way Guam could obtain more than a revised Organic Act. Chairman Gutierrez indicated that some different route would be necessary to get around Congress' total power over Guam.

Senator Bamba inquired why the law firm of Dorsey & Whitney in particular was hired by the Commission. He was informed by Mr. Sanchez that they were hired in Spring of 1988 specifically because Barry Ysrael, a member of the firm, had more direct knowledge of the area of Micronesia and had participated in the negotiations between the Federated States of Micronesia and the United States. Mr. Sanchez indicated that the Federal Inter-agency Task Force has limited the participation of the law firm in their deliberation. Senator Bamba felt that it is not a legal counsel's role to negotiate when the Commission members are the authorized representatives of the people on Guam to negotiate.

Senator Espaldon inquired concerning the breakdown of the proposed budget for the calendar year 1990. Mr. Sanchez indicated that \$200,000 a year represents the fee to be paid to legal counsel, with an additional \$4,000 a month for expenses, and \$120,000 for public relations services. The proposed budget for this year, if utilized over the next four years, would result in spending approximately \$2-\$3M for the Commission. Senator Espaldon inquired concerning what the legal firm has accomplished in this past year. But Mr. Sanchez has not been working at the Commission this past year and could not respond to that. Senator Espaldon indicated that he felt that there were two different views expressed during the public hearings in Honolulu, Hawaii recently regarding the authority of the Commission to negotiate changes with Congress and that the presence of these two differing views on the same Commission from Guam was embarrassing and could have been avoided by legal advice from the Commission's attorneys. Mr. Sanchez indicated that since different members of the Commission disagree with each other this

did not reflect on the role of the legal counsel. Senator Espaldon also indicated that he felt a "no negotiations" stance is not politic, as politics is the art of compromise. Mr. Sanchez indicated that he thought that Congress should suggest certain changes Congress desires before the Commission should enter into compromises. When asked by Senator Espaldon what the role of legal counsel and a public relations firm would be if there are no negotiations, Mr. Sanchez indicated that their role would be to educate each federal agency concerning all of the act's sections. Senator Espaldon indicated that it was very important for the public to know everything that the Commission is doing.

2. RON RIVERA:

Mr. Rivera testified on behalf of the Organization of People For Indigenous Rights. He did not submit written testimony but orally presented views of the organization. Mr. Rivera indicated that the present impasse that was perceived between Guam and the federal government has been created by the federal government. He felt that the Commonwealth Draft Act is not a road map to disaster but a serious movement that the federal government has trouble dealing with. He felt the federal government is responding with a 'path of most resistance' and that the Inter-agency Task Force which analyzed the Act recommended a 'gutted act'. Mr. Rivera indicated that Congress can pass anything that it desires because the Commonwealth of the Northern Mariana Islands contains many of the provisions that Guam is desiring. He felt the Constitutional issue is being used by the federal government to limit what is rightfully Guam's. He pointed out that the U. S. was previously making references to the Guam Commonwealth Act at the United Nations but that recently the United States is deleting references to the Commonwealth Act. Mr. Rivera indicated that the United Nations does not presume that the Organization of People For Indigenous Rights represents Guam or that United States federal officials represents Guam either. He felt the use of political action committees or public relations campaigns are needed. Mr. Rivera indicated that Chamorro self-determination is the motive driving OPIR.

3. DAVID LUJAN:

Mr. Lujan testified as a representative of the Commission on Self-Determination. Although Mr. Lujan submitted written testimony, he did not read the testimony but indicated that he would answer questions or discuss issues. During the question and answer period for Mr. Lujan, Leland Bettis, Director of the Commission on Self-Determination was also available and indicated he was offering technical aid only during the hearing.

Senator Ruth then proceeded to question Mr. Sanchez, Mr. Rivera and Mr. Lujan. She inquired how the present impasse on the movement of the Commonwealth Draft Act through Congress relates to the budget presented by the Commission. Mr. Rivera responded that the federal government wanted to wear Guam down and make Guam change its course.

Senator Ruth wondered if the Commission was creating its own impasse or if the impasse was being created by both sides. Mr. Rivera indicated he did not believe so as the Inter-agency Task Force has not let the Commission get involved before the present time and that he felt that if the Inter-agency Task Force had not done that that there would not have been an impasse at the hearings in Honolulu. Mr. Sanchez indicated that although there have been icy relationships between the Commission and the Inter-agency Task Force that the ice will melt and the discussions coming up will help in that regard. Mr. Sanchez also indicated that although Congressman DeLugo specified at the hearing that he had 'problems' with the act, no specifics were offered and a dialog could clear up the areas of concern.

Senator Ruth inquired whether Mr. Lujan perceived an impasse and he indicated that the 1989 agreement with Janet McCoy, the Trust Territory Commissioner, indicated that the Inter-agency Task Force would allow the Commission's legal counsel to sit with them during their review and would receive input from the Commission through their legal counsel, however, the Task Force did not live up to that agreement and after a few sessions the legal counsel was not allowed to attend. The Task Force has therefore had no input from the Commission of the people of Guam during its deliberations. The Task Force now indicates that if Guam does not negotiate, the Task Force does not want to talk to Guam. Mr. Lujan continued to indicate that an informal meeting was held on Saipan before the inauguration of Governor Guerrero wherein members of the Commission talked to Ms. Stella Guerra from the Department of the Interior and she indicated that both legal counsels should get together before the upcoming meetings on February 22-23 in Washington D. C. in order to narrow the issues. Mr. Lujan indicated that he did not believe that there was an impasse at this time.

Senator Ruth inquired whether the budget item of \$96,000 for travel would be adequate, too much or too little for the next year and how the funds would be distributed. Mr. Bettis indicated that the travel budget amount represented 30 personal trips of 9 days each to Washington, D. C. , but these trips could be allocated differently depending on how many individuals went on a particular trip and to what destination. Mr. Bettis indicated that since there was no definite schedule yet for the talks between the Commission and the Inter-agency Task Force that specific projections concerning travel could not be finalized yet. The present allocation would be enough for three trips to Washington, D. C. for all members of the Commission. Mr. Lujan indicated that the February meeting would work out further meeting agendas but that he felt that more than three trips would be made in 1990.

Senator Ruth noted that the Commission's minutes mentioned Mr. Rosenblatt frequently and was informed by Mr. Lujan that he was the former legal counsel to the Commission and is no longer employed there. Senator Ruth noted that there were quite a number of trips indicated for Mr. Rosenblatt.

Chairman Gutierrez then questioned Mr. Rivera and asked him who has the leverage, Congress or the Commission, in the present tug-of-war. Mr. Rivera indicated that the federal government has the leverage and that is the fundamental problem in Guam's dealings. Chairman Gutierrez asked Mr. Rivera whether it was true that nothing would happen unless Guam agreed to some changes in the Commonwealth Act, or unless Congressman DeLugo was not the chairman of the subcommittee hearing the bill. Mr. Lujan indicated that he felt that Congressman DeLugo was using a constitutional issue as an excuse since he was taking his cue from the administration but that Congressman DeLugo did not mean that he would not do anything for the Act. Mr. Lujan indicated that Representative Jaime Foerster response of encouragement means there's no real impediment to the Act but that the impediment is merely put up in hopes that Guam will change before opposition is presented. Congressman DeLugo's objections were taken from the Inter-agency Task Force report, but if the report is refuted, the objections will disappear. Chairman Gutierrez inquired whether amendments to the law defining the activities of the status commission were necessary to assist the committee in its task. Mr. Lujan indicated that none were needed except that the budget for the activities needed to be passed.

Senator Brooks then questioned Mr. Lujan. Senator Brooks indicated that she obtained information from Mr. Larry Morgan in Saipan concerning statements made by Mr. Barry Ysrael. She indicated that Mr. Ysrael said to the Department of Interior Personnel, 'Are you going to let them know about all these meetings?', in reference to meetings held by the Inter-agency Task Force. Mr. Morgan had also indicated that it was the feeling of the Inter-agency Task Force that concerns raised by the Task Force were not relayed back to the Commission. Ms. Nancy Boone, Department of Interior, Guam desk, also had made similar statements. Mr. Lujan felt that these statements were an attempt to create dissention and weaken Guam's position by taking away a good lawyer from Guam. Mr Lujan felt that Mr. Barry Ysrael was performing well for the Commission. Senator Brooks indicated that Walter Mondale was on Guam in 1988 and gave a speech at the Chamber of Commerce wherein he indicated that Fortune 500 companies, such as 3M, etc. would be contacted in order to have their people help in the lobbying of Guam's Commonwealth Act. It was also the idea at the time to mobilize Chamorros living in the states to contact their congressman. Mr Lujan indicated that a lot of work has already been done in these two areas. Mr. Bettis indicated that a number of mainland Chamorros had been contacted and a mailing list is being compiled, that no exact number is available at present. Mr Lujan also indicated that either the federal officials had been moving slowly, that the Guam Commission has not, and that the Guam Commission is prepared to move forward with the Commonwealth Act.

Senator Tommy Tanaka then inquired concerning what is the official position regarding the negotiation of Commonwealth Act terms. Mr Lujan indicated that technical changes were being negotiated as long as 'full flavor' of the articles remains the same. He reiterated his feeling that the no negotiation posture has influenced the administration to come forward now with plans to talk. Senator Tanaka indicated that he did not agree regarding this point and that Congressman Blaz had indicated that a second hearing would not be scheduled if the Commission does not agree to negotiate. Senator Tanaka inquired as to the definition of 'technicalities' which could be negotiated. Mr. Lujan responded that it is 'something to clarify but not change the substance'. Senator Tanaka indicated that he felt that negotiations were appropriate and that P. L. 15-128 setting up the Commission had language indicating that the Commission shall 'negotiate' with the United States to implement whatever covenant is agreed upon. Senator Tanaka indicated that he felt the federal government has been more receptive at present than in his past 14 years of holding public office. Senator Tanaka felt that a breaking of the impasse must be done by sitting down and engaging in a give and take period. Mr. Lujan agreed that since there is a schedule of talks now, that falls in with the suggestion of Senator Tanaka.

Senator Bordallo then questioned Mr. Lujan briefly by indicating that she felt a lot had been accomplished by the Commission since Senator Bordallo has been a member. She indicated that Guam in her opinion has a certain amount of leverage also and that the Commission at present only has the authority to discuss technical changes. Mr. Lujan indicated that the people of Guam will ultimately vote on any Act produced by the Congress in any event.

Senator Bamba then stated that he has no concerns about the budget other than that he is confident the Commission is duly representing Guam and that their budget request is reasonable.

Senator Espaldon then questioned Mr. Lujan, Mr. Sanchez and Mr. Rivera. Senator Espaldon wanted to know if any particular member of the Commission indicated that no negotiations were possible. Mr Lujan indicated that since the Guam government took the position that the

situation has now been rectified at a January 3 meeting of the Commission wherein it was moved and all members supported a motion that the Commission negotiate technical changes.

Senator Espaldon asked a number of questions concerning the substance of the issue of voting rights as most people living on Guam are of mixed ethnic heritage and some are not Chamorro at all, and he wondered why the Commonwealth Draft Act should be concerned with one group only. Mr. Sanchez indicated that the Commonwealth Draft Act does not prohibit anyone on Guam from voting except in one particular case and that is on the decision on ultimate status. Senator Espaldon indicated that that was a very important case and that when the Americans fought for independence from Britain that it wasn't only individuals of British ethnic heritage who fought for the independence. He indicated that the same situation is true in the Philippine Islands when they fought for independence from Spain. Senator Espaldon indicated that he felt that self-determination is to be exercised by the people who are living in a location at the time that the vote is taken and that no group should be excluded. Mr. Lujan indicated that the American Indians did not vote when the Americans fought for their independence from the British. Senator Espaldon countered by indicating that if only Indians voted then there would have been no independence. Mr. Lujan indicated that he felt that it was appropriate to single out certain groups such as the Japanese-Americans for compensation or special treatment in order to correct an inequity. Mr. Rivera indicated that he felt that Chamorro rights was inherent, on a legal basis and that persons with a Chamorro ethnic heritage on Guam are the only persons who have not freely chosen the system of government under which they are living. He also indicated that he felt that the United States government had caused this problem by not conducting a vote of Chamorros earlier and it could have been done in 1898 or even as late as 1950 without the problem of a large influx of outside settlers disrupting the demographics of the islands. Senator Espaldon indicated on the budget that the amount requested by the Commission may not be adequate and that the people of Guam must be made knowledgeable at all times of the activities of legal firms and public relations firms hired by the Commission. He inquired how many co-sponsors of the bill were obtained by the legal counsel and Mr. Bettis indicated that it was a combined effort including Congressman Blaz that resulted in 171 co-sponsors of the Commonwealth Draft Bill.

4. PETER SALAS CALVO:

Testified in favor of Bill 1073. He testified that he felt Washington was reluctant to move forward on the desires of the people of Guam and that the people of Guam are not 'just puppets' of federal desires. He felt that the budget money recommended for the Commission for this next year was not enough and that even though the expenses were high, there would be no progression without them. He felt the expenses were low in that respect. His recommendation was to continue with the present strategy and if not successful that another strategy could be tried later. He feels that the status of an unincorporated territory is an old-fashioned and embarrassing form of government as it does not provide for adequate self-government.

At the end of the oral testimony and question and answers, Mr. Lujan and Mr. Rivera made short summary statements of confidence in the direction that the Commission is moving.

COMMITTEE FINDINGS

All persons testifying on Bill 1073 are in favor of its passage. No specific changes were recommended as amendments or substitutions or deletions although several individuals indicated that they felt that there would perhaps be a need for an increase in appropriations throughout the year as the precise needs of the Commission could not be stated at the present time because the schedule of talks coming up with the federal officials has not been finally established.

The Bureau of Budget and Management Research has submitted a Fiscal Note which is attached to this report.

The budget hearings on Bill 1073 saw the submission of extensive reports and budgetary documentation to the Committee on Ways & Means concerning the Commission's activities over the past two years. The bill as introduced requests for funding for a calendar year, however, the Committee on Ways & Means recommends that the Commission operate on the same fiscal year as the other portions of the government of Guam and therefore recommends that a seven (7) month level of funding be contained in a substitute bill at the present time, with a second hearing to be conducted in August 1990 to provide for projections for FY 1991, which will run from October 1, 1990-September 30, 1991.

RECOMMENDATIONS

The Committee on Ways and Means recommends that Bill No. 1073 be passed by the Twentieth Guam Legislature as substituted.

TWENTIETH GUAM LEGISLATURE
1989 (FIRST) Regular Session

Bill No. 1073 (COR)
As Substituted by the
Committee on Ways & Means

Introduced by:

C. T. C. GUTIERREZ *Chute*
F. R. SANTOS
T. S. NELSON *TS Nelson*
M. Z. BORDALLO *MCPUT*

AN ACT APPROPRIATING THREE HUNDRED NINETY-SEVEN THOUSAND THREE HUNDRED SEVENTEEN DOLLARS (\$397,317) TO THE COMMISSION ON SELF-DETERMINATION FOR ITS OPERATIONS UNTIL SEPTEMBER 30, 1990.

1 BE IT ENACTED BY THE PEOPLE OF THE TERRITORY OF GUAM:

2 Section 1. Three Hundred Ninety-Seven Thousand Three
3 Hundred Seventeen Dollars (\$397,317) are hereby appropriated from the
4 General Fund to the Commission on Self-Determination for its operations,
5 professional service contract, travel and quarterly reports from January 1,
6 1990 through September 30, 1990.

7 Section 2. No later than August 1, 1990, the Commission on
8 Self-Determination shall submit comprehensive reports of all its activities
9 since January 1, 1990 including a report(s) on the February 22-23, 1990
10 meeting with the Interagency Task Force on the Guam Commonwealth Act
11 and other subsequent discussions with either the U.S. Congress or the
12 Executive Branch of the U.S. Government, time and charges statements;
13 legal memorandums, opinions and strategies; public relations plans,
14 outlines, and progress reports; travel accounts, miscellaneous accounts,
15 ordinary accounts. Thereafter, a public hearing will be conducted by the
16 Committee on Ways & Means to provide for appropriate planning and
17 funding level for the next fiscal year.

Introduced

TWENTIETH GUAM LEGISLATURE
1989 (FIRST) Regular Session

DEC 28 '89

Bill No. 1073 (over)

Introduced by: COMMITTEE ON RULES
(at the request of the Commission on Self-Determination)

AN ACT MAKING AN APPROPRIATION TO THE
COMMISSION ON SELF-DETERMINATION FOR ITS
OPERATION FOR THE CALENDAR YEAR 1989.

1 BE IT ENACTED BY THE PEOPLE OF THE TERRITORY OF GUAM:
2 Section 1. There is appropriated the sum of Six Hundred
3 Eighty One Thousand One Hundred Fifteen Dollars (\$681,115) to the
4 Guam Commission on Self-Determination from the General Fund for
5 Calendar Year 1990 operations, professional service contracts,
6 travel, and a quarterly report.

TESTIMONY OF
THE COMMISSION ON SELF-DETERMINATION

PRESENTED BEFORE

THE COMMITTEE ON WAYS AND MEANS
TWENTIETH GUAM LEGISLATURE
THE HONORABLE CARL T.C. GUTIERREZ
CHAIRMAN

IN SUPPORT OF

BILL 1073 (COR)

*AN ACT MAKING AN APPROPRIATION TO THE
COMMISSION ON SELF-DETERMINATION FOR ITS
OPERATION FOR THE CALENDAR YEAR 1990*

PRESENTED BY
MR. DAVID J. LUJAN, ESQ
MEMBER CSD

JANUARY 22, 1990

1 Mr. Chairman and Honorable Members of the Committee:

2
3 I am David J. Lujan, a public member of the Commission on Self-
4 Determination. I am here to submit testimony in support of the
5 Commission's operational budget request for Calendar Year 1990.
6

7 The Chairman and Vice Chairman of the Commission extend their
8 sincere apologies for not being able to appear today but they were
9 scheduled to be off island well before the announcement of these hearings
10 and thus, are unable to be here. In relation to this, I would like to point out
11 that a Budget Review Committee was appointed to review the
12 Commission's submission and two of us are here today. Also here today
13 are Mr. Leland Bettis, Executive Director of the Commission and Mr.
14 Barry Israel, representing the Commission's Legal Counsel, the
15 Washington firm of Dorsey and Whitney. Mr. Bettis and Mr. Israel are
16 here to answer technical questions should there be any.
17

18 Mr. Chairman, any consideration of a budget for the Commission on
19 Self-Determination must necessarily begin with attention to a few
20 pertinent questions:
21

22 First of all, just what is it are we looking or striving for?
23

24 Secondly, are the objectives we seek worth the money that we will be
25 spending?
26

27 And thirdly, from whom and how can we best accomplish these
28 objectives?
29

30 In response to the first question, I think that the answers were
31 resoundingly made clear in the Honolulu hearings on the Commonwealth
32 Bill. A good number of Senators were there to submit testimony. Further,
33 one of the more powerful testimonies submitted was by the Chairman of
34 this august Committee.
35

36 Mr. Chairman, our people are seeking a substantial change in the
37 political relationship between Guam and the United States. Our people no

1 longer want Guam to exist as a non-entity called an unincorporated
2 territory or as merely an instrument of the Federal government which
3 must march to the tune of the Federal drummer. The people of Guam no
4 longer want second class citizenship but are striving for full Constitutional
5 citizenship and its inherent rights as guaranteed by the Fourteenth and
6 Fifteenth Amendments. And the people of Guam want that most
7 fundamental principle of Democracy - that governments derive their just
8 powers from the consent of the governed - to apply to them just as it
9 applies to every U.S. citizen living in the States of the Union. And, most
10 importantly, the people of Guam want the political status made possible by
11 the exercise of their right to choose - the most basic of human rights - the
12 right to self-determination.

13
14 The Commission on Self-Determination was mandated and
15 established by the Guam Legislature specifically to pursue these ideals and
16 objectives. We believe that the Commission on Self-Determination has
17 been making progress, albeit not as rapid as some would desire, towards
18 the goals and targets established by the plebiscites which ratified the Draft
19 Guam Commonwealth Act.

20
21 I state that the progress has been not as rapid as desired or
22 anticipated yet I sincerely doubt whether there is a thinking individual on
23 this Island who would seriously think or assume that the Quest for
24 Commonwealth would be all smooth sailing or would be as simple a
25 process as going to Payless Supermarket to buy a quart of milk, a loaf of
26 bread or a head of cabbage. We feel that the people of Guam are fully
27 aware of the hurdles which must be overcome. We believe that the people
28 of Guam fully understand that we are seeking a fundamental change in the
29 present relationship between Guam and Washington - a relationship that
30 Washington is comfortable with primarily because Guam is no more than a
31 mere possession of the Federal government.

32
33 The Commission is tasked with convincing no less than 50% plus 1 of
34 the members of Congress and their squadrons of staffers but an army and
35 brigade of solidly entrenched bureaucrats jealous of their territories and
36 perceived domains. A prime example of this is the Federal Inter-Agency

1 Task Force Report released on August 1, 1989. That report was prepared
2 by no less than 60 career bureaucrats from 27 departments and agencies of
3 the Executive Branch. It took over one year for the report to be finalized
4 and when finally released, Guam was expected to respond in 45 days. As a
5 practicing attorney I can tell this Committee that even in the judicial
6 system this would be considered nothing but unreasonable.
7

8 The Commission sincerely feels that all hurdles can be effectively
9 addressed and overcome. However, the process will not be as quick as
10 many would want and it will not be as easy as many would think.
11 Convincing 535 members of Congress, or even the bare minimum of 51
12 Senators and 218 members of the House will not be an easy task. Nor will
13 it be cheap.
14

15 The very distance between Guam and Washington, D.C. creates a
16 cost factor that, at times and to many, appears too expensive. If all the
17 meetings required and the constant contact needed could be accomplished
18 here on Guam, it would not be difficult to state that, quite possibly, a
19 Commission on Self-Determination is not necessary as all meetings and
20 contacts could be efficiently and economically accomplished by the Guam
21 Legislature and the Executive Branch of the Government of Guam. But
22 sadly and regretably, Mr. Chairman, this is not the case. The decisions
23 will be made 9000 miles and 17 flight hours away from Guam.
24

25 Contact must be constant and continuous lest our quest be shelved; to
26 be taken down only when a Guam delegation arrives in Washington.
27 Public attention must likewise be frequent and unrelenting in order to
28 garner and secure public sentiment, sympathy and empathy in the home
29 states of those who must make the decisions for that is the most effective
30 political pressure that can be brought to bear on those who ultimately must
31 cast a vote. We have recently been successful in attracting national media
32 attention. The news articles published by the Los Angeles Times, the
33 National Journal, the Washington Post, the Honolulu Advertiser and
34 Newsweek will create the type of political awareness that is most effective
35 with Members of Congress. The fact that individuals in Washington have
36 attempted to discourage Guam from securing consulting services in the

1 Capitol is in itself a statement that we are not going to be overlooked so
2 long as we have constant reminders rising to the surface to promote our
3 cause.

4
5 A very stark and unpleasant fact of political life is that Guam is not
6 an issue as far as the greater majority of Congressmen and other Federal
7 officials are concerned. Guam's Quest for Commonwealth is not an issue
8 simply because it does not equate to votes for or against incumbent and
9 aspiring Congressmen. Though there is the desire and there are efforts to
10 equate the conditions and plight of the people of Guam with Eastern
11 Europeans and mainland Chinese, we must not forget that there are
12 millions of Europeans and Chinese in America. What happens in Europe
13 or China becomes an issue because they equate to votes and because the
14 sheer number of those vocal on the issues are substantial. This does not
15 apply to Guam's issues simply because the number of Guamanians voting
16 in stateside elections does not amount to a significant political force. Thus,
17 we must make every effort to ride the crest of emotions created by the
18 human rights issues being addressed in Eastern Europe and China. The
19 recent article in Newsweek and the National Journal equating Guam's
20 quest to that in Eastern Europe is a prime example of this.

21
22 Mr. Chairman, the moment we become complacent in these matters,
23 we will lose the momentum we have worked so hard to establish.
24 Additionally, that we would not be able to accomplish what is needed on
25 our own is a foregone conclusion. The attention given to the Honolulu
26 hearings by the Washington Post and the National Journal was not by
27 accident nor was it on the initiative of these two nationally renowned
28 organizations. Guam's case was given the coverage by way of the
29 contacts provided by the Commission's Legal Counsel and Public Relations
30 Firm.

31
32 And this must continue on a non-stop basis. It is a simple axiom in
33 Washington, just as it is here in Guam, that the more media attention, the
34 more political attention. The problem of attaining Commonwealth status
35 as desired by our people is a political problem of significant magnitude.

1 This is an undeniable fact of life. And in relationship to this fact, there is an
2 old saying that is so very applicable: OUT OF SIGHT, OUT OF MIND.

3
4 Therefore, we must conclude that the primary task is to create a
5 public awareness, not only in Washington, but in all 50 states of the Union.
6 That this will require substantial funding cannot be disputed. In relation to
7 other efforts to influence policy makers in the Nation's Capitol, our
8 current efforts pale. Perhaps being frugal may be the primary cause of a
9 perceived complacency or indifference on our part. We shudder to think
10 that there may be those in Washington who think that the people of Guam
11 have taken a "Que Sera - Sera" position, hoping that Federal policy
12 makers will give us what we seek and need simply because it is right. The
13 article in the National Journal made reference to Guam sinking back into
14 "semi-obscurity" after Commonwealth status is granted, alluding to the
15 fact that we are now, for all intents and purposes, "semi-obscure". We
16 shudder to think that this "semi-obscurity" will doom our efforts for want
17 of exposure and an awareness in Washington and the 50 States.

18
19 Mr. Chairman, on the question of just how much money the people
20 of Guam are willing to expend in these efforts, parallels can be drawn.

21
22 The people of Puerto Rico are seeking a modification of their political
23 relationship with the U.S. This process has been on going for many years
24 now. While in Washington, we learned that Puerto Rico has been
25 expending well over a million dollars a year on their efforts. This
26 expenditure is made despite the fact that there are millions of Puerto
27 Ricans living in the Continental U.S. and who are voting citizens in the
28 various states. Despite the fact that the Guamanian population in the
29 U.S. is substantially below the numbers Puerto Rico can claim as a
30 potential political force, the Commission on Self-Determination is
31 requesting approval of a budget well below a million dollars. Mr.
32 Chairman, I, for one, do not like to equate the desireability and
33 righteousness of political action with dollars and numbers but this is a fact
34 of life that cannot and must not be denied.

35

1 The Honorable Jaime Fuerster, Puerto Rico's Delegate to the
2 Congress, encouraged us in Honolulu to continue our pursuit with all due
3 enthusiasm and intensity. Congressman Fuerster praised the greater
4 majority of the Guam Commonwealth Act stating that in many ways
5 Guam's Act is even better than that of Puerto Rico. As a most renowned
6 and respected Constitutional Lawyer and as a full professor of
7 Constitution Law and Judicial Science at the Harvard University School of
8 Law, Congressman's Fuerster's words should be taken as encouragement
9 to continue our quest and as a compliment on Guam's Act itself and the
10 relationship it seeks to establish. Considering the source of these
11 compliments and encouragement, the Commission on Self-Determination
12 feels renewed confidence that, after the Honolulu hearings, progress will
13 be more evident.

14
15 Closer to home, Mr. Chairman, I would like to draw a parallel
16 between the efforts of the Commission and that of the Guam Power
17 Authority in seeking to end the infamous GPA-Navy Power Pool
18 Agreement. Congress authorized the beginning of Power Pool
19 negotiations in 1984. It took nearly one year for Navy and GPA to even
20 decide on what subjects would be addressed. Meetings and negotiations
21 were conducted in San Diego, San Francisco, Washington, D.C., Honolulu
22 and in Guam with officials from GPA, its battery of consultants and
23 Members of the Legislature and their staffers present and participating.
24 Since the beginning, the total costs of these negotiations, inclusive of
25 travel and per diem, consultants costs and other related expenses have
26 exceeded \$1 Million a year.

27
28 As recently as two weeks ago, the Guam Power Authority has
29 informed the people of Guam that the termination of the Power Pool
30 Agreement will change the relationship between the utility and the Navy
31 but will only equate to approximately \$2.5 million in annual savings to
32 GPA. It will not equate to additional revenues to the utility but will merely
33 put a stop to GPA paying Navy \$2.5 million yearly when it is popular
34 knowledge that GPA has been subsidizing Navy power requirements for
35 the last 18 years.

36

1 At this point in time, it is not clear nor is it established that the results
2 of the negotiations between Navy and GPA will receive the approval of
3 the Public Utilities Commission or the Guam Legislature.
4

5 In considering this and comparing it with the efforts and funds being
6 expended in our Quest for Commonwealth, we feel that the budget being
7 requested for the Commission is just and reasonable. I also point out that
8 the greater majority of the problems inherent with the GPA-Navy Power
9 Pool Agreement will be resolved by the Commonwealth Act in such a
10 manner as will garner more control to GPA over the Islandwide Power
11 System, will secure more of the infrastructure it needs to serve the island
12 and will secure revenues rather than simply eliminating the need for GPA
13 and its customers to subsidize the electrical requirements of the Federal
14 government.
15

16 In conclusion Mr. Chairman, the Commission on Self-
17 Determination asserts that the budget being requested of this Legislature
18 is just and reasonable and in relation to the benefits which will ultimately
19 be realized is money wisely spent. I can understand the need for all to
20 subscribe to the great Ben Franklin's axiom of "A PENNY SAVED IS A
21 PENNY EARNED" but extreme care must be taken that in our efforts to
22 realize the level of full self-government the people of Guam desire,
23 demand and need to realize their just measure of human rights which is
24 the promise of Democracy, that we do not cause our own failures by being
25 "PENNY WISE AND FREEDOM FOOLISH".
26

27 Mr. Chairman and Honorable Senators, because "TIME WAITS
28 FOR NOBODY", the Commission on Self-Determination sincerely urges
29 this Committee and the full membership of the Guam Legislature to
30 approve, as expeditiously as possible, the reasonable operational budget
31 here requested.
32

33 IN BEHALF OF THE COMMISSION AND FROM MYSELF - -
34 THANK YOU, SI YU'OS MA'ASE FOR YOUR TIME AND
35 UNDERSTANDING.
36



Government of Guam
Adelup Complex
P.O. Box 2950
Agana, Guam 96910
Tel: (671) 472-2829/04
Fax: (671) 477-4826

Governor
Joseph F. Ada
Chairman

Senator
Francisco R. Santos
20th Guam Legislature
Vice-Chairman

Alberto C. Lamorena, III
Presiding Judge
Superior Court of Guam

Senator
Marilyn D.A. Manibusan
20th Guam Legislature

Senator
Madeleine Z. Bordallo
20th Guam Legislature

Mayor
Francisco N. Lizama
Mayors' Council
Representative

Mr. Rufo Taitano
Public Member

Attorney David Lujan
Public Member

Leland R. Bettis
Executive Director

Commission On Self-Determination

January 22, 1990

The Honorable Carl T.C. Gutierrez
Chairman,
Committee on Ways and Means
20th Guam Legislature
Agaña, Guam 96910

Dear Senator Gutierrez:

Submitted for your review is the testimony of the Commission on Self-Determination on Bill 1073, "An Act Making an Appropriation to the Commission on Self-Determination for its Operation for the Calendar Year 1990.

The rapidity with which your Committee conducted its hearing on numerous measures this morning, and subsequently adjourned, unfortunately did not allow me to represent the Commission on this matter. Given the extensive list of bills before your Committee today, the Commission did not anticipate such a quick conclusion to the hearing. As you were informed by the Commission staff, the Commission will be able to present its testimony at 9:00 a.m. In fact, the Commission was present at 8:50 a.m. to present testimony.

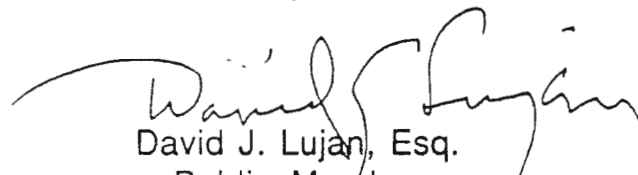
You are aware that the Commission operates on a calendar year budget and is currently operating on lapsed funds from CY1989, and has requested the Governor to use his transfer authority to provide funding through February for the interim. With the significant amount of work which the Commission anticipates in 1990, we look forward to the Legislature's appropriation of our budget at the earliest possible time.



Along with the Commission's testimony, I am including a letter from the Commission thanking you for your support of the Commonwealth Act during the Hawaii hearings in December. I might add that I was personally impressed with your presentation, and response to the Subcommittee's efforts to cut your statement short during the hearing.

We look forward to your rescheduling of a hearing on the Commission budget at the earliest possible time.

Sincerely Yours,


David J. Lujan, Esq.
Public Member



TESTIMONY BEFORE THE COMMITTEE ON WAYS AND MEANS
BILL NO. 1073

AN APPROPRIATION FOR THE COMMISSION ON SELF DETERMINATION
1990 OPERATIONS

Mr. Chairman and members of the Committee

I come before the committee this morning to encourage the committee and the Legislature to support this year's budget request by the Commission on Self Determination. Amongst the many funding priorities that you consider, few appropriation requests can provide the long term potential benefits that this funding can.

If you listened to the testimony at the first congressional hearing in November, there can be no mistaking the urgency and commitment of our people to bring about fundamental change in our political status. It has been a long and laborious process for us to get this far, where legislation of our creation now sits before the Congress for its disposal. There has been seemingly endless discussion, debate and disagreement throughout the years of what our political status should be and how we should go about getting it.

As painfully slow and fractious the process has been, no one can deny that the process has been conducted under the most intense public scrutiny and involvement. Representatives, both elected and appointed, have staffed commissions, constitutional conventions and delegations. The public has been directly informed and involved through countless public hearings, village meetings and education campaigns. And no proposed legislation has ever undergone the number of direct votes by the people to determine the direction of its purpose and content of its language. While you may not agree with every word found in the Act or with the approach the commission has taken in the past or is taking now, I believe we can only continue to support the momentum of political change that now envelops all of us.

I recognize that the process of appropriation implicitly requires a review of the accomplishments and direction of the Commission. I only ask that we remember how far we have come, how far we still must go and how important and urgent is the work of the Commission. In light of a government budget that will approach half a billion dollars annually in the near future, a request of 681,000 to fund the work required to bring about the most fundamental political change of our lifetime must only be viewed with the greatest level of support possible.

I would like to talk briefly about the largest single expenditure found in the budget. Forty-two per cent of the budget, or \$248,000 is dedicated to funding the Commission's legal counsel. Frankly, I'm surprised the amount proposed for this year is not higher.

During our hiring process, we focused on three criteria: influence in Washington, expertise and cost. Of the 46 firms we interviewed, no annual retainer was less than \$150,000 annually and the majority of retainers ranged from \$250,000 to \$400,000. These retainers are exclusive of expenses. Proposed expenses ranged from \$4,000 to \$8,000 per month.

Dorsey and Whitney was eventually selected from a final list of nine firms, which included firms represented by Sen. Paul Laxalt, Sen. Birch Bayh and Charles Manatt, because the firm was strong in all three areas. The presence of Walter Mondale will be of invaluable assistance when the final votes come before the various committees of a democratically controlled Senate and House. Dorsey and Whitney had the only lead attorney with previous experience on political status negotiations. Barry Israel had recently concluded work for the new Federated States of Micronesia. This experience was considered a critical asset. Finally, the proposed initial retainer of \$150,000 was among the lowest proposed. Three years later, this retainer has only grown to \$200,000, and it appears there will be no increase in retainer this year, even though we now embark on the most involved part of the process.

We must have a legal presence in Washington. The discussions about to take place require the legal, technical and constitutional expertise that cannot be found in Guam. The firm has completed a detailed legal and constitutional review of the Act. They know full well the requirements of their client and of their clients client, the people of Guam.

As for other aspects of the budget, I see no particular item that seems disproportionately unbalanced. I ask you, what alternative investment of monies could produce a greater potential return?

Before closing, I would like to comment on the dilemma the Commission and the Congress both face with regards to changes in the Act. First, at this juncture the Commission is legally bound by the plebiscites and morally bound by the last 25 years of political process to present the Act in its current form. The Congress is bound by the Constitution to dispose of the territories. No other branch of the federal government has any authority, except by direct delegation of Congress. Thus in my view, the ultimate decision-maker on the federal side will be the Congress. Consequently, the final form of the Act will derive its content from the decisions of Congress.

The Congress has already received the input of the people of Guam and has sought the advice of the executive branch. But no matter how difficult a political position the Congress feels it could be in should they decide to change the Act, the Congress cannot shrink from nor pass off its responsibility and obligation to defend changes in the Act it feels it must make. The Commission cannot be expected to speak on behalf of the Congress nor defend changes it does not concur with.

Notwithstanding this political dilemma, and politics should be a minor consideration, talks on the intent and language of the Act must begin involving three important players: the people of Guam through the Commission, the executive branch, and the Congress. Two of these three parties have presented their initial viewpoints. Only the Congress has not presented a detailed analysis of the Act, with proposed alternatives to its contents. This third viewpoint is critical to the dialogue between Guam and the federal government. It is incumbent upon the Congress to be involved immediately in the analysis of the Act. Alternatives to the Act's language must first come from the federal side before the Commission can respond.

The Commission is correct, I believe, in participating in initial talks for the purposes of clarifying intent. Proposals which strengthen the intent of the Act will be the easiest to deal with. Proposed changes will challenge the Commission. If in the collective judgement of the Commission it wishes to accept any proposed changes, I believe it is their prerogative to do so. Only at that point does the Commission join the federal government in the defense and justification of any changes in the Act. But now is not the time to guarantee that the Commission will negotiate outright changes in the Act. Let us first see the changes everyone alludes to. Let us see if they make sense for Guam. If they do then we should support such changes. If the changes are contrary to what the Commission feels is best for Guam, they should not accept these changes and it will then be Congress' job to justify their changes to the people.

But the give and take of discussions that are inherent to the democratic process must start now. We've waited long enough. All parties must be involved now. And, the Commission should be supported financially to be able to represent our interests at these discussions.

I am confident this committee and the Legislature as a whole will give the Commission the budgetary and moral support it needs to advance our political status ambitions. In the end, I believe it will be worth the effort, time and money. To do any less would be a disservice to ourselves and our generations to come.

Respectfully Submitted,
Simon A. Sanchez I
January 22, 1990

It is my understanding that the Commission will be meeting with executive branch officials next month to take up discussions which they were cut out of last year before the Bush Administration released their colonial report on the Commonwealth Act. I say let's continue the track we are on. If this road does lead to a dead end, then I would be the first to propose a more radical approach, but first let us give the process a chance. Perhaps the reason there is resistance to our quest at this stage is because we haven't been given the opportunity to really make our case like we need to. I think the federal government is running scared from our people's desires, because they recognize we still live under their imperial designs, and this is an old, and embarrassing system of government. Let's continue to let Washington know where we stand, and if they don't approve of our desires then they should just say no. If Washington wants to continue colonialism then let them say so, at least we will know where we stand. But first, we should continue our efforts to bring the light of our cause to the darkened corners of Washington.

Please Senators, keep us on track with our quest for self-government and control over our island.

P. H. S. Cal

Comments on Bill No. 1073(COR)

Bill_1073 intends to appropriate the sum of \$681,115 from the General Fund to the Guam Commission on Self-Determination for its Calendar Year 1990 operations. The proposed appropriation reflects the Commission's proposed 1990 Budget. These budgetary requirements are detailed below:

A. OPERATIONS

Payroll	\$118,450	
Supplies	4,800	
Word Processing Lease	9,180	
Miscellaneous	6,000	
Communications	<u>6,000</u>	
Total Operations		\$144,430

B. LEGAL COUNSEL

Retainer (\$16,666/mo.)	\$200,000	
Expenses (\$4,000/mo.)	<u>48,000</u>	
Total Legal Counsel		\$248,000

C. PUBLIC RELATIONS CONSULTANT

Retainer (\$10,000/mo.)	\$120,000	
Expenses (\$1,000/mo.)	<u>12,000</u>	
Total P.R. Consultant		\$132,000


D. TRAVEL

(30 person/trips: Avg trip: 9 days x \$205.65 per diem = \$1,850.85 + \$1,372 air fare = \$3,222.85)		\$ 96,685
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E. NEWSLETTER

(EST. \$15,000 per quarter)		\$ 60,000 -----
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TOTAL PROPOSED 1990 BUDGET		\$681,115
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MICHAEL J. REIDY

FISCAL NOTE
BUREAU OF BUDGET & MANAGEMENT RESEARCH

BBMR-F7

Bill No. 1073(COR) Date Received Jan. 12, 1990
 Mandatory Bill Yes No Date Reviewed Jan. 18, 1990
 Department/Agency Affected: Commission on Self Determination
 Department/Agency Head: Leland Bettis
 Fiscal Year Appropriation: N/A
 Bill Title (concise): AN ACT MAKING AN APPROPRIATION TO THE COMMISSION ON SELF DETERMINATION FOR ITS OPERATION FOR THE CALENDAR YEAR 1990.

Change in Law: NONE

Bill Attempts to: Bill is for:
 Increase Program Funding Operations
 Decrease Program Funding Capital Improvement
 Reallocate Present Program Funding Other

FINANCIAL/PROGRAM IMPACT

PROGRAM CATEGORIES	Minimum Estimated Required Funds (For Five Years)		
	GENERAL FUND	FEDERAL	OTHER
Semi-Autonomous	\$681,115		
GRAND TOTAL	\$681,115		

ESTIMATED MULTI-YEAR FUND REQUIREMENTS

SOURCES	1st	2nd	3rd	4th	5th
General Fund	\$681,115				
Federal Fund					
Other Fund					
GRAND TOTAL	\$681,115				

ESTIMATED MULTI-YEAR REALIZED REVENUES

SOURCES	1st	2nd	3rd	4th	5th
General Fund					
Federal Fund					
Other Fund					
GRAND TOTAL					

William P. Taittinger
 William P. Taittinger
 PROGRAM ANALYST
Michael J. Reidy
 MICHAEL J. REIDY
 DIRECTOR

Date Review Terminated: Jan. 18, 1990

COMMENTS: