

On My Mind

6/16/06

Comparisons with Guam are not generally well-received in the CNMI, but the similarity, in this case, is just too striking to ignore. As reported in this past Wednesday's <EM>Pacific Daily News</EM>, Guam's Public School System is short of cash, and has therefore decided to withhold its contribution to its employees' retirement fund. Sound familiar?</P>

In Guam's case, this has prevented both eligible employees from retiring and the payment of employees' "automatic" deductions from payrolls for things like car and insurance payments.</P>

Worthy of note is the <EM>PDN</EM>'s editorial in the same issue, which observes, "But what they [PSS officials] essentially are doing is committing a crime against the employees of the school system. Making those payments is not optional; it's mandatory. By not paying retirement contributions to the Retirement Fund and choosing to use that money for other expenses, GPSS officials are stealing from their own workers."</P>

The editorial points out that "the last time retirement contributions weren't paid, top school officials were indicted. The 'we don't have enough money' excuse doesn't protect school system managers from being held accountable for not making the agency's contributions to the Retirement Fund."</P>

So, would that apply here? Until this past week, it might have, but given the action of the CNMI legislature, not any more. House Bill 15-137, passed by both House and Senate and now awaiting the governor's signature, excuses the administration from making any contribution to the Retirement Fund until the end of FY 2007. In other words, not meeting that obligation, required by law, has now been made legal, by law. The CNMI legislature, one is tempted to observe, has become a willing co-conspirator in the dubious and devious machinations of our illustrious governor to save himself from being taken to court.</P>

On Guam, officials are scrambling to find at least enough cash to make partial payment on the GPSS obligation. And that's where the similarity ends. In the CNMI, no such effort is being or was ever made.</P>

<P align=center>\*\*\*</P>

After the fact, Northern Mariana Islands Retirement Fund board chairman Joe Reyes has now accused House members of being a "rubber stamp" for approving the administration's "bail-out" bills - all of which are at the expense of the Retirement Fund. But where was Reyes when the bills were introduced? While they were being debated, at some length, in the media? Where was he then? Why didn't he come forth with his concerns, his criticism, suggestions for alternatives then? Why didn't he object more loudly and strongly, explain more clearly just what it does to the viability of the Retirement Fund if all the bills were passed as written?</P>

Members of the NMI Retirement Fund, and particularly those who've already retired, ought to be up in arms that the agency supposedly dedicated to their welfare did not make a better effort to defend the contractual obligations that the Fund has toward its members, did not campaign,

lobby, make more widely known the dire effects of the administration's proposals on the health of the retirement system. They themselves ought to be up in arms, as well, that the legislature is actually passing these destructive measures. Why aren't they? Where are they?</P>

Not only did the legislature pass, this week, a bill excusing the administration from paying its share of pension benefits to the Fund until the end of fiscal year 2007, it also passed a bill postponing the date by which the Retirement Fund is supposed to become fully funded, and one that shuts down the present retirement system, replacing it with a much stingier one.</P>

One would have expected the Retirement Fund - as well as its members - to fight tooth and nail to prevent this from happening. But they didn't. Why? On the part of the Retirement Fund Board, I guess one has to assume the answer is that they were afraid to do so. Even though they are appointed to four-year terms, even though the Constitution says they cannot be dismissed from their position except for cause, this governor, under his emergency powers, has shown little respect for existing law. In fact, one wonders why he hasn't made an effort to unseat Board members as it is. On the other hand, so long as they did not fight back, why should he?</P>

Apparently "politics" has gotten so pervasive, so pernicious (causing great harm) that not even retirees, much less government employees, dare to protest, dare to demand that their rights be preserved, dare to speak out and oppose the governor, his flunkies in the legislature. How else to explain the lack of any kind of concerted action against the steps being taken to deprive them of future security?</P>

The only good news - the only hope, actually - is that these actions are being enacted by law, and thus, can also be undone by law. The bad news is that retirees and retirement fund members will have to wait until the next election to vote out the present members of the Legislature and replace them with people with enough intelligence, fortitude and foresight to repeal these punitive, regressive actions by the governor and his rubber stamps. That is, if there is enough left to save....</P>

And if there is enough backbone, integrity, concern, effort, pressure, out there.....</P>

<P align=center>\*\*\*</P>

The governor's callous disregard of the administration's responsibility toward government employees (that is, future retirees) as well as present retirees, his denial of responsibility for the impact of his actions on the viability of the retirement fund, his refusal to negotiate more reasonable terms are inexcusable; in fact, House Bill 15-137 notwithstanding, they border on the criminal. He may claim, in his defense, that he is only doing this to preserve and protect the CNMI economy, but the many alternative suggestions that have been proposed - all of which he has rejected - do not substantiate that claim.</P>

For example, instead of not paying any part of the administration's portion of the employee benefit to the retirement fund for the next year and a half, the governor could have proposed paying some portion thereof. That would help the Retirement Fund some, and would keep the government's debt a little lower - and would show that the governor is indeed concerned about government employee welfare. As it is, how will the government ever repay the debt it owes the

Retirement Fund, the debt it owes to past, present and future retirees? How will present government employees afford to survive, with only half a retirement plan?</P>

Will the CNMI become a truly poverty-stricken third world country once again?</P>

\*\*\*</P>

Short takes:

- Will the governor at least stick to his guns as far as Pagan is concerned, and veto the bill - which has now passed both houses of the legislature - to reinstate the JG Sablan permit to mine Pagan's pozzolan ash? Or is he afraid to put his reputation on the line and take the risk of an override?</P>

- Will he, on the other hand, have the good grace to change his stance re the three-mile limit on submerged lands? Whatever happened to his statement that he would leave federal issues to the Washington Rep, and he would take care of "local" ones? In light of the fact that the CNMI is asking the U.S. Congress for bail-out money, for tax cross-over money, and that the CNMI wants the federal government to leave our immigration policies alone, isn't it sort of foolhardy to refuse to go along with an offer made by Congress to grant three-mile control? Extended control can always be sought later, but rejecting the bird in the hand in hopes of catching the bird in the bush seems short-sighted, imprudent, downright risky.</P>

- Whatever happened to the improvements to power plant 2, promised by the lieutenant governor in April, that would be completed at the end of May and give the CNMI 10-12 more megawatts of power? What happened to the plan to overhaul all the engines at power plant one, which was another "short-term" solution people were told would improve the power situation? What happened to the contract to generate a 20% improvement in power output that was promised at that time? These random, unannounced power outages sure are disruptive!</P>

- Whatever happened to the local retiree's association? Much as I respect David Igitol, nominal head of the association, I am troubled by his statement that neither he nor his association received any of the three bills affecting the retirement system - and that therefore, since he has not read them, he has no comment to offer either on his own or on behalf of the association. I had no difficulty acquiring the bills - they are available either directly from the legislative bureau or from the legislative liaison office. No doubt they would also have been available to him from the Retirement Fund office. And now it is far too late.</P>

It does the local retirees a great disservice to be represented by such a non-assertive, self-effacing spokesperson. Either the members (and though I've paid my dues, I've yet to be notified of a meeting) should find a replacement, or he should change his ways.</P>

- Is anyone paying attention to the large number of people attending the Liberation Day fair even weekday evenings? If numbers are any indication, the event ought to be making a fair amount of profit. The challenge is to find out what the attraction is, what is drawing them all. And just maybe translating that into something that could be provided to tourists, that could be provided year-round on a for-profit basis? (Of course, maybe the fact that it is only here for a month is the draw.....)</P>

Movies this week: 2 PG's, 4 PG-13's, and 1 R. Why is it that PG's almost always seem to be animations? Aren't there any PG-rated real stories out there?</P>

*"On My Mind" can be found on the web at <[www.chamorro.com](http://www.chamorro.com)> or at <[www.cnmi.net](http://www.cnmi.net)> (just click on "News & Weather"). If you missed a column due to an overfull mailbox or whatever, you can find it in the website's "Archives" section.*

*If you wish to be removed from the mailing list, please e-mail me at the address above.*