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GUAM-VIRGIN ISLANDS ELECTIVE GOVERNORS

GOVERNMENT

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HEARINGS

BEFORE THE

TERRITORIES AND INSULAR AFFAIRS
SUBCOMMITTEE

AND THE

COMMITTEE ON
INTERIOR AND INSULAR AFFAIRS
UNITED STATES SENATE

NINETIETH CONGRESS

FIRST SESSION

ON

S. 449

A BILL TO PROVIDE FOR THE POPULAR ELECTION OF
THE GOVERNOR OF GUAM, AND FOR OTHER PURPOSES

AND

S. 450

A BILL TO PROVIDE FOR THE POPULAR ELECTION OF
THE GOVERNOR OF THE VIRGIN ISLANDS, AND FOR
OTHER PURPOSES

FEBRUARY 20, 1967, AND APRIL 26, 1967



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CONTENTS

	Page
S. 449.....	1
Departmental reports:	
Bureau of the Budget.....	8
Comptroller General of the United States.....	7
Interior.....	5
S. 450.....	9
Departmental reports:	
Bureau of the Budget.....	8
Comptroller General of the United States.....	14
Interior.....	12
Committee print No. 2 on S. 449.....	56
Committee print No. 2 on S. 450.....	59
Departmental reports:	
Bureau of the Budget.....	63
Department of the Interior.....	64

STATEMENTS

Anderson, Hon. Harry R., Assistant Secretary of the Department of the Interior for Public Land Management; accompanied by Mrs. Ruth Van Cleve Director, Office of Territories.....	14, 87
Bryan, Mrs. Clarice, Virgin Islands, representing the Commission on the Status of Women.....	49
Doward, Hon. Augustin, of the Virgin Islands Legislature.....	45
Farrelly, Hon. Alexander, of the Virgin Islands Legislature.....	41
Guerrero, Hon. Manuel F. L., Governor of Guam.....	19, 85
Paiewonsky, Hon. Ralph M., Governor of the Virgin Islands.....	36
Seidman, Harold, assistant Director for Management and organization, Bureau of the Budget.....	68
Speiser, Lawrence, American Civil Liberties Union.....	51
Won Pat, Hon. Antonio B., Guam's Washington Representative; accompanied by Joaquin C. Arriola, speaker, Ninth Guam Legislature; George M. Bamba, chairman, Rules Committee; and Florencio T. Ramirez, Finance and Taxation Committee.....	22, 90

COMMUNICATIONS

Anderson, Harry R., assistant secretary, Department of the Interior: Letter to Hon. Henry M. Jackson, chairman, Interior and Insular Affairs Committee, containing its views on the creation of an Office of Government Comptroller for Guam.....	58
Brown, Omar, chairman, Republican Territorial Committee of the Virgin Islands: Telegram and letter to Hon. Henry M. Jackson, chairman, Interior and Insular Affairs Committee, dated February 18, 1967.....	52
Calvo, Paul, chairman, Territorial Party of Guam: Telegram to Hon. A. B. Won Pat, Washington, D.C., dated February 14, 1967.....	23
Flores, Joseph, Guam Republican Party: Telegram and letter to Hon. A. B. Won Pat, Washington, D.C., dated February 2, 1967.....	23
Staats, Elmer B., Comptroller General of the United States: Letter to Hon. Henry M. Jackson, chairman, Interior and Insular Affairs Committee, dated March 9, 1967.....	55
Torres, J. U., State chairman, Democratic Party of Guam: Telegram to Hon. A. B. Won Pat, Washington, D.C., dated February 15, 1967.....	24

ADDITIONAL INFORMATION

	Page
Resolution No. 87 of the Ninth Guam Legislature.....	30
Resolution No. 180 of the Ninth Guam Legislature.....	94
Resolution No. 187 of the Ninth Guam Legislature.....	96
Resolution No. 188 of the Guam Ninth Legislature.....	71
Resolution of the Seventh Legislature of the Virgin Islands.....	41
Resolution of the District Government Council of Guam.....	97

APPENDIX

Auditing practices of the territories.....	99
--	----

GUAM-VIRGIN ISLANDS ELECTIVE GOVERNORS

MONDAY, FEBRUARY 20, 1967

U.S. SENATE,
SUBCOMMITTEE ON TERRITORIES AND INSULAR AFFAIRS
OF THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS,
Washington, D.C.

The subcommittee met, pursuant to notice, at 10 o'clock a.m., in room 3110, New Senate Office Building, Senator Quentin N. Burdick, chairman of the subcommittee, presiding.

Present: Senators Burdick, McGovern, and Hansen.

Also present: James H. Gamble, professional staff member; William Van Ness, special counsel.

Senator BURDICK. The purpose of the hearing this morning is to take testimony on two bills, S. 449 and S. 450, introduced by Senator Jackson and myself, providing for the popular election of the Governors of Guam and the Virgin Islands.

These bills are very similar to two measures, H.R. 11775 and H.R. 11777, amended and passed by the Senate on October 11, 1966. Due to the lateness of the session, it was not possible for a conference to be held to work out the differences between the House and Senate versions of the bills. Therefore, they failed of enactment.

We just received the departmental reports on these proposals and the reports together with the bills will be made a part of this hearing record.

(The data referred to follows:)

[S. 449, 90th Cong., 1st sess.]

A BILL To provide for the popular election of the Governor of Guam, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 6 of the Organic Act of Guam (64 Stat. 384, 386; 48 U.S.C. 1422), is amended to read as follows:

"SEC. 6. The executive power of Guam shall be vested in an executive officer whose official title shall be the 'Governor of Guam'. The Governor of Guam, together with the Lieutenant Governor, shall be elected by a majority of the votes cast by the people who are qualified to vote for the members of the Legislature of Guam. The Governor and Lieutenant Governor shall be chosen jointly, by the casting by each voter if a single vote applicable to both offices. If no candidates receive a majority of the votes cast in any election, on the fourteenth day thereafter a runoff election shall be held between the candidates for Governor and Lieutenant Governor receiving the highest and second highest number of votes cast. The first election for Governor and Lieutenant Governor shall be held on November 3, 1970. Thereafter, beginning with the year 1974, the Governor and Lieutenant Governor shall be elected every four years at the general election. The Governor and Lieutenant Governor shall hold office for a term of four years and until their successors are elected and qualified.

"No person who has been elected Governor for two full successive terms shall be again eligible to hold that office until one full term has intervened. The term of the elected Governor and Lieutenant Governor shall commence on the first Monday of January following the date of election.

"No person shall be eligible for election to the office of Governor or Lieutenant Governor unless he is able to read and write the English language, is and has been for five consecutive years immediately preceding the election a citizen of the United States and a bona fide resident of Guam and will be, at the time of taking office, at least thirty years of age. The Governor shall maintain his official residence in Guam during his incumbency.

"The Governor shall have general supervision and control of all the departments, bureaus, agencies, and other instrumentalities of the executive branch of the government of Guam. He may grant pardons and reprieves and remit fines and forfeitures for offenses against local laws. He may veto any legislation as provided in this Act. He shall appoint, and may remove, all officers and employees of the executive branch of the government of Guam, except as otherwise provided in this or any other Act of Congress, or under the laws of Guam, and shall commission all officers that he may be authorized to appoint. He shall be responsible for the faithful execution of the laws of Guam and the laws of the United States applicable in Guam. Whenever it becomes necessary, in case of disaster, invasion, insurrection, or rebellion, or imminent danger thereof, or to prevent or suppress lawless violence, he may summon the posse comitatus or call out the militia or request assistance of the senior military or naval commander of the Armed Forces of the United States in Guam, which may be given at the discretion of such military commander if not disruptive of, or inconsistent with, his Federal responsibilities. He may, in case of rebellion or invasion, or imminent danger thereof when the public safety requires it, proclaim the island, insofar as it is under the jurisdiction of the government of Guam, to be under martial law. The members of the legislature shall meet forthwith on their own initiative and may, by a two-thirds vote, revoke such proclamation.

"The Governor shall make to the head of the department or agency designated by the President under section 3 of this Act an annual report of the transaction of the government of Guam for transmission to the Congress and such other reports at such other times as may be required by the Congress or under applicable Federal law. He shall have the power to issue executive orders and regulations not in conflict with any applicable law. He may recommend bills to the legislature and give expression to his views on any matter before that body.

"There is hereby established the office of Lieutenant Governor of Guam. The Lieutenant Governor shall have such executive powers and perform such duties as may be assigned to him by the Governor or prescribed by this Act or under the laws of Guam."

SEC. 2. Section 7 of the Organic Act of Guam (64 Stat. 384, 387; 48 U.S.C. 1422a) is deleted and replaced by the following new provision, also designated section 7:

"SEC. 7. Any Governor or Acting Governor of Guam may be removed from office by the people registered to vote in Guam if: (a) 75 per centum of the persons registered to vote shall vote in favor of recall at a referendum election, and (b) the removal of the Governor or Acting Governor is approved by the President of the United States. The referendum may be initiated by the Legislature of Guam, following a two-thirds vote of the members of the legislature in favor of a referendum, or by a petition to the legislature of 25 per centum of the people registered to vote in Guam."

SEC. 3. Section 8 of the Organic Act of Guam (64 Stat. 384, 387; 48 U.S.C. 1422b), as amended, is amended to read as follows:

"SEC. 8. (a) In case of the temporary disability or temporary absence of the Governor, the Lieutenant Governor shall have the powers of the Governor.

"(b) In case of a permanent vacancy in the office of Governor, arising by reason of the death, resignation, removal by recall, or permanent disability of the Governor, or the death, resignation, or permanent disability of a Governor-elect, or for any other reason, the Lieutenant Governor or Lieutenant Governor-elect shall become the Governor, to hold office for the unexpired term and until his successor shall have been duly elected and qualified at the next regular election for Governor.

"(c) In case of the temporary disability or temporary absence of the Lieutenant Governor, or during any period when the Lieutenant Governor is acting as Governor, the speaker of the Guam Legislature shall act as Lieutenant Governor.

"(d) In case of a permanent vacancy in the Office of Lieutenant Governor, arising by reason of the death, resignation, removal by recall, or permanent disability of the Lieutenant Governor, or because the Lieutenant Governor or Lieutenant Governor-elect has succeeded to the office of Governor, the Governor shall appoint a new Lieutenant Governor, with the advice and consent of the legis-

lature, to hold office for the unexpired term and until his successor shall have been duly elected and qualified at the next regular election for Lieutenant Governor.

"(e) In case of the temporary disability or temporary absence of both the Governor and the Lieutenant Governor, the powers of the Governor shall be exercised, as Acting Governor, by such person as the laws of Guam may prescribe. In case of a permanent vacancy in the offices of both the Governor and Lieutenant Governor, the office of Governor shall be filled for the unexpired term in the manner prescribed by the laws of Guam.

"(f) No additional compensation shall be paid to any person acting as Governor or Lieutenant Governor who does not also assume the office of Governor or Lieutenant Governor under the provisions of this Act."

SEC. 4. (a) Effective on the date of enactment of this Act, the second and third sentences of subsection (a) of section 9 of the Organic Act of Guam (64 Stat. 384, 387; 48 U.S.C. 1422c(a)) are deleted.

(b) The first sentence of subsection (b) of section 9 of the Organic Act of Guam (64 Stat. 384, 387; 48 U.S.C. 1422c(b)) is deleted.

SEC. 5. Effective on the date of enactment of this Act, section 9 of the Organic Act of Guam (64 Stat. 384, 387; 48 U.S.C. 1422c) is amended by adding immediately after the end of section 9 the following new section 9-A:

"SEC. 9-A. (a) The Secretary of the Interior shall appoint a government comptroller who shall receive an annual salary at a rate established in accordance with the standards provided by the Classification Act of 1949, as amended. The government comptroller shall hold office for a term of ten years and until his successor is appointed and qualified unless sooner removed by the Secretary of the Interior for cause. The government comptroller shall not be eligible for reappointment.

"(b) The government comptroller shall audit and settle all accounts and claims pertaining to the revenues and receipts from whatever source of the government of Guam and of funds derived from bond issues; and he shall audit and settle, in accordance with law and administrative regulations, all expenditures of funds and property pertaining to the government of Guam including those pertaining to trust funds held by the government of Guam.

"(c) It shall be the duty of the government comptroller to bring to the attention of the Secretary of the Interior and the Governor of Guam all failures to collect amounts due the government, and expenditures of funds or uses of property which are irregular, unnecessary, or not pursuant to law. The audit activities of the government comptroller shall be directed so as to (1) improve the efficiency and economy of programs of the government of Guam, and (2) discharge the responsibility incumbent upon the Congress to insure that the substantial Federal revenues which are covered into the treasury of the government of Guam are properly accounted for and audited.

"(d) It shall be the duty of the government comptroller to certify to the Secretary of the Interior the net amount of government revenues which form the basis for Federal grants for the civil government of Guam.

"(e) The decisions of the government comptroller shall be final except that appeal therefrom may, with the concurrence of the Governor, be taken by the party aggrieved or the head of the department concerned, within one year from the date of the decision, to the Secretary of the Interior, which appeal shall be in writing and shall specifically set forth the particular action of the government comptroller to which exception is taken, with the reasons and the authorities relied upon for reversing such decision.

"(f) If the Governor does not concur in the taking of an appeal to the Secretary, the party aggrieved may seek relief by suit in the District Court of Guam if the claim is otherwise within its jurisdiction. No later than thirty days following the date of the decision of the Secretary of the Interior, the party aggrieved or the Governor, on behalf of the head of the department concerned, may seek relief by suit in the District Court of Guam, if the claim is otherwise within its jurisdiction.

"(g) The government comptroller is authorized to communicate directly with any person having claims before him for settlement, or with any department officer or person having official relation with his office. He may summon witnesses and administer oaths.

"(h) As soon after the close of each fiscal year as the accounts of said fiscal year may be examined and adjusted, the government comptroller shall submit to the Governor of Guam, the President of the Senate, and the Speaker of the House of Representatives an annual report of the fiscal condition of the government, showing the receipts and disbursements of the various departments and agencies of the government.

"(i) The government comptroller shall make such other reports as may be required by the Governor of Guam, the Comptroller General of the United States, or the Secretary of the Interior.

"(j) The office of the government comptroller shall be under the general supervision of the Secretary of the Interior, but shall not be a part of any executive department in the government of Guam.

"(k) The office and activities of the government comptroller of Guam shall be subject to review by the Comptroller General of the United States, and reports thereon shall be made by him to the Governor, the Secretary of the Interior, and to the Congress.

"(l) The salary of the government comptroller and the expenses of his office shall be paid by the United States from funds to be covered into the treasury of Guam pursuant to section 30 of the Organic Act of Guam, but such salary and expenses shall not exceed such amounts as may be specified annually in Federal appropriation Acts.

"(m) All departments, agencies, and establishments shall furnish to the government comptroller such information regarding the powers, duties, activities, organization, financial transactions, and methods of business of their respective offices as he may from time to time require of them; and the government comptroller, or any of his assistants or employees, when duly authorized by him, shall for the purpose of securing such information, have access to and the right to examine any books, documents, papers, or records of any such department, agency, or establishment."

SEC. 6. Section 18 of the Organic Act of Guam (64 Stat. 384, 388; 48 U.S.C. 1423(h)) is amended to read as follows:

"Sec. 18. Regular sessions of the legislature shall be held annually, commencing on the second Monday in January (unless the legislature shall by law fix a different date), and shall continue for such term as the legislature may provide. The Governor may call special sessions of the legislature at any time when in his opinion the public interest may require it. No legislation shall be considered at any special session other than that specified in the call therefor or in any special message by the Governor to the legislature while in such session. All sessions of the legislature shall be open to the public."

SEC. 7. Section 19 of the Organic Act of Guam (64 Stat. 384, 389; 48 U.S.C. 1423i) is amended by deleting its fifth, sixth, seventh, eighth, and ninth sentences and by substituting therefor the following: "If, after such reconsideration, two-thirds of all the members of the legislature pass the bill, it shall be a law."

SEC. 8. (a) Effective on the date of enactment of this Act, subsection (c) of section 26 of the Organic Act of Guam (64 Stat. 384, 391; 48 U.S.C. 1421d(c)) is repealed.

(b) Effective January 4, 1971, section 26 of the Organic Act of Guam (64 Stat. 384, 391; 48 U.S.C. 1421d), as amended, is amended to read as follows:

"Sec. 26. The salaries and travel allowances of the Governor, Lieutenant Governor, the heads of the executive departments, other officers and employees of the government of Guam, and the members of the legislature, shall be paid by the government of Guam at rates prescribed by the laws of Guam."

SEC. 9. Effective on the date of enactment of this Act, section 5 of the Organic Act of Guam (64 Stat. 384, 385; 48 U.S.C. 1421b), is amended by adding at the end thereof the following new subsection (u):

"(u) The provisions of paragraph 1 of section 2 of article IV and section 1 of amendment XIV of the Constitution of the United States shall have the same force and effect within the unincorporated territory of Guam as in the United States or in any State of the United States."

SEC. 10. Effective on the date of enactment of this Act, chapter 15 of the General Military Law (70A Stat. 15, 16; 10 U.S.C. 331-334) is amended by adding at the end thereof the following new section 335:

"Sec. 335. For purposes of this chapter, 'State' includes the unincorporated territory of Guam."

SEC. 11. Those provisions necessary to authorize the holding of an election for Governor and Lieutenant Governor on November 3, 1970, shall be effective on January 1, 1970. All other provisions of this Act, unless otherwise expressly provided herein, shall be effective January 4, 1971.

SEC. 12. This Act may be cited as the "Guam Elective Governor Act."

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., February 19, 1967.

HON. HENRY M. JACKSON,
Chairman, Committee on Interior and Insular Affairs,
U.S. Senate, Washington, D.C.

DEAR SENATOR JACKSON: This is in response to your request for the views of this Department on S. 449, a bill "To provide for the popular election of the Governor of Guam, and for other purposes."

We recommend enactment of S. 449, if amended as recommended in this report. Section 1 of the bill provides for the popular election of the Governor and Lieutenant Governor, defines the scope of the Governor's authority, sets out the duties of the office and delineates the qualifications for the office. The elected Lieutenant Governor will take the place of the Government Secretary appointed by the Governor and will insure administration of Guam by an elected official in the event of the temporary absences of the Governor. A majority vote is required to elect, and a run-off will be held in case a majority is not obtained in the first election.

The bill provides for the election of the first Governor and Lieutenant Governor to take place in November 1970, for a two-year term. Thereafter, the election will be held every four years beginning in 1972. There is a provision that limits the Governor to two consecutive terms, but would allow re-election after one full term has intervened.

Section 2 of the bill provides for the removal of the Governor. The section provides for a recall if 75 percent of the registered voters vote for the recall at a referendum election and the removal is approved by the President. It further provides that the referendum for the recall may be initiated by the legislature upon a two-thirds vote of the members in favor of such a referendum or upon a petition to the legislature of 25 percent of the registered voters. We recommend two changes in this section. First, the words "or Acting Governor" should be deleted from line 24, page 4, of the bill. We suggest the deletion of these words because we can perceive of no reason to provide for the removal of a temporary official. Later sections of this bill provide for a successor to the office of Governor if the elected Governor should, for some reason, not be able to fulfill his term of office.

Second, on page 5, line 1, delete ": (a)" and insert a period after the words "referendum election" and delete all after that phrase to the end of the sentence on page 5, line 4. We have no preference as to a method for removal of the Governor by the people of Guam. Both recall and impeachment have been suggested and we would accept either or both forms, whatever the final decision of the Congress. However, we do not believe that, in connection with the recall, a concurrence by the President in any removal by recall, as now provided in the bill, is desirable, and therefore we recommend deletion of the provision. In our opinion, the requirement for such concurrence is wholly inconsistent with the theory and principle of recall.

Section 3 provides for the succession to the office of Governor or Lieutenant Governor if there is either a temporary or permanent vacancy in either office. We recommend that the phrase "removal by recall," be deleted from line 6, page 6. We recommend this deletion because there is no provision in the bill for removal of the Lieutenant Governor by recall or any other method.

Section 4 of the bill deletes the second and third sentences of subsection (a) of section 9 of the Organic Act of Guam. These sentences give preference to persons of Guamanian ancestry for jobs with the government of Guam, as well as preference for education and in-service training opportunities offered by the government of Guam. Removal of this language will bring the government of Guam employment policy into conformity with the provisions of title VII of the Civil Rights Act of 1964. Private employers on Guam are already covered by the provisions of title VII. The section also deletes the first sentence of subsection (b) of section 9 of the Organic Act of Guam. This sentence deals with the appointive powers of the Governor and is replaced with a new definition of powers in the new section 6 added to the Organic Act by this bill.

Section 5 provides for the creation of a Federal comptroller for Guam such as was provided for the Virgin Islands in the Revised Organic Act of the Virgin Islands of 1954. On the basis of our experience with the office in the Virgin Islands and because we believe that one may distinguish between the circumstances in the Virgin Islands which prompted the creation of a Federal comptroller

and the existing circumstances in Guam, we do not believe that a Federal government comptroller for Guam is necessary and, further, we believe that such a system for Guam would be unduly expensive.

In the Virgin Islands, where a Federal government comptroller was created because of the Federal matching funds made available to the government of the Virgin Islands each year and the criteria imposed to determine the availability of such funds, the office of the comptroller has involved the following expenditures:

Fiscal Year 1965.....	\$182, 000
Fiscal Year 1966.....	177, 000
Anticipated Fiscal Year 1967.....	178, 000
Estimated Fiscal Year 1968.....	235, 000

In Guam where no comparable office now exists, the government has for many years contracted with nationally known certified public accounting firms for municipal type audits similar to those performed in many mainland communities at an annual cost to the government of Guam of less than \$100,000. Nevertheless, in view of the Federal money received by Guam from various sources, including the retention and the return of Federal income taxes derived in Guam, which money annually amount to approximately 65 percent of total revenues (excluding disbursement to Guam under the Guam Rehabilitation Act), it seems to us perfectly proper to conduct a review through the medium of a Federal audit.

Therefore, we recommend that the bill be amended by deleting all of section 5, beginning on line 8, page 7, and running through line 4, page 11, and substituting therefor the following new section 5:

"Sec. 5. All financial transactions of all agencies of the government of Guam, including the transactions of all agencies or instrumentalities established or utilized by the government of Guam, shall be audited by the General Accounting Office in accordance with the provisions of the Budget and Accounting Act, 1941, as amended, and the Accounting and Auditing Act of 1950."

This new section would provide for an annual audit by the General Accounting Office. This annual audit would be in lieu of the creation of a Federal government comptroller. We believe that the alternative would meet the needs which prompted your Committee to amend the bill as it did in this regard, that it would be more economical, and at the same time it would avoid a further drain upon the so-called "section 30 funds" which are already subject to withholding for the purpose of repaying loans made to Guam pursuant to the Guam Rehabilitation Act.

Section 6 removes the limitation formerly imposed by the Organic Act of Guam on the length of both regular and special sessions of the legislature of Guam. It sets the opening date for the annual session of the legislature and sets the basis for the special sessions.

Section 7 of the bill takes from the President his authority to exercise final veto power over the legislation referred to him by the Governor after such legislation has been passed by the legislature over the Governor's veto.

Section 8 provides for the payment from local funds of the salaries of all executive, legislative, and judicial officials who are employees of the government of Guam, at rates prescribed by the laws of Guam.

Section 9 extends to Guam the privileges and immunities clauses, the due process clause, and the equal protection of the laws clause of the Constitution. This will guarantee to all United States citizens in or entering Guam—including the corporations of any of the United States—rights of national citizenship such as the right to engage in interstate and foreign commerce, the right to appeal in proper cases to the national courts, and the right to protection abroad. We recommend that on page 12, line 16, the word "paragraph" be deleted and in its place be substituted the word "clause". This is a technical amendment to correct the citation to the Constitution.

Section 10 amends the General Military Law to authorize the President to call upon Federal or local forces to suppress civil insurrection in Guam as in any State. This change is necessitated by the limitation of authority for the elected Governor of Guam to call upon the United States armed services in an emergency.

At this point we recommend the insertion of a new section 11, to read as follows, and renumbering of subsequent sections:

"Sec. 11. (a) Section 3 of the Organic Act of Guam (64 Stat. 384; 48 U.S.C. 1421a), as amended, is further amended by deleting all after the words 'Federal Government' and inserting in lieu thereof the words 'in all matters not the program responsibility of another Federal department or agency, shall be under the general administrative supervision of the Secretary of the Interior.'

"(b) Section 28(c) of the Organic Act of Guam (64 Stat. 384, 392; 48 U.S.C. 1421f(c)), as amended, is amended by deleting the words 'head of the department or agency designated by the President under section 3 of this Act'; and deleting from the proviso the words 'head of such department or agency' and by substituting in each such instance the words 'Secretary of the Interior'."

This new section is intended to provide for certain loose ends which will remain upon the enactment of this bill. Following the achievement of Commonwealth status by Puerto Rico, we found that no provision had been made for any centralized Federal cognizance of the multitude of matters flowing between the Commonwealth and the Federal Government, as well as between private citizens and the Commonwealth through a Federal "middleman." Because of this Department's peculiar responsibility for the territories before changes in status are effected, we found ourselves in the position of an intermediary without any real assignment of the function and finally found it necessary to deny any responsibility because our information and contacts were inadequate. We believe that the bill before you should recognize this residual need for coordination, and because of this Department's expertise, vest that responsibility in the Secretary of the Interior. Our amendment recognizes that the people and the government of Guam, in many cases, will deal directly with various Federal agencies, and specifically excludes from the residual authority any matters which are the program responsibility of another Federal department or agency.

Section 11 sets out the effective date of the various provisions of the bill.

Section 12 is the citation provision.

It is our view that greater autonomy for Guam is morally and politically right. Additionally, in recent years, a popularly elected Governor has been and is now very much desired by the people of Guam. The action of the 89th Congress, which came so close to fulfilling the people's wish, has served to sharpen that desire. In view of these developments, we more than ever believe that enactment of this legislation is important, and we are therefore hopeful that this legislation will be enacted early in the 90th Congress.

The Bureau of the Budget has advised that there is no objection to the submission of this report from the standpoint of the Administration's program, but that the Bureau will submit its comments separately.

Sincerely yours,

HARRY R. ANDERSON,
Assistant Secretary of the Interior.

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, D.C., February 17, 1967.

HON. HENRY M. JACKSON,
Chairman, Committee on Interior and Insular Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in reply to your request of January 24, 1967, for a report of our Office on S. 449, a bill amending the Organic Act of Guam (64 Stat. 384, 48 U.S.C. 1421) to provide for the popular election of the Governor of Guam, for the establishment of the office of government comptroller, and for other purposes.

Of relevance to our Office is section 5 of the bill adding a new section 9A to the Organic Act of Guam for the establishment of the office of government comptroller, which office shall be under the general supervision of the Secretary of the Interior and subject to review by the Comptroller General of the United States.

The responsibilities of the government comptroller of Guam would be similar to those of the present government comptroller of the Virgin Islands. His salary and the expenses of his office are to be paid by the United States from taxes derived from Guam, which otherwise are covered into the treasury of Guam pursuant to section 30 of the Organic Act (48 U.S.C. 1421h). The proposed method of financing the office of the government comptroller is in accord with the recommendation in our report to the Congress dated April 28, 1966 (B-114808), for the financing of the office of the government comptroller of the Virgin Islands.

You are advised we have no objection to favorable consideration of section 5 of S. 449; and that we have no comment or recommendation to offer with respect to other sections of the bill.

Sincerely yours,

FRANK H. WEITZEL,
Assistant Comptroller General of the United States.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D.C., March 3, 1967.

Hon. HENRY M. JACKSON,
Chairman, Committee on Interior and Insular Affairs,
U.S. Senate, New Senate Office Building,
Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your requests on January 24 and 30, 1967, for the comments of the Bureau of the Budget on S. 449, "To provide for the popular election of the Governor of Guam, and for other purposes" and S. 450, "To provide for the popular election of the Governor of the Virgin Islands, and for other purposes."

The general purpose of these two bills is stated in their titles. While we fully support this purpose and the provisions of the bills designed to accomplish it, there are two aspects of the legislation that concern us. These two aspects relate to Presidential powers—removal of the Governor and veto of the acts of the territorial legislature.

Our concern stems from the fact that S. 449 and S. 450 will not alter the status of Guam and the Virgin Islands as unincorporated territories of the United States. Hence, these bills would not diminish the responsibilities of the Congress and the President under the Constitution with respect to making and executing rules and regulations for these territories. The territories would continue to be the responsibility of the Federal Government, and it would continue to be accountable to the United Nations for the protection and welfare of their inhabitants.

In addition, despite the proposed change in their method of selection, the elected Governors would continue to have a responsibility not only for the execution of territorial laws but also the execution of certain Federal laws applicable to the territories. Chief among the latter are the organic acts themselves.

For the foregoing reasons, we believe that the President's capability to discharge effectively his responsibilities within the territories must be retained. These responsibilities involve foreign policy, national security, Federal property, and other matters significantly affecting the interest of the United States.

We recommend, therefore, that the President be given the authority to remove a territorial Governor or to veto an act of the territorial legislature when he determines such action necessary either from the standpoint of United States foreign policy or national security, or when necessary to protect Federal property or other significant interests of the United States. These criteria for Presidential action could be specifically written into law or they could be spelled out in the legislative history of the bills.

Our recommendation for a veto that would be applicable to all territorial laws goes beyond the present authority of the President to veto only certain territorial laws that have been previously vetoed by the Governor. The present authority is appropriate where, as now, the Governor is an appointed official, but it is not adequate to enable the President to meet his responsibilities when the governorship becomes an elective office. To avoid undue delay, the legislation could provide that territorial acts would take effect if not vetoed by the President within 60 days after notification of enactment.

We recognize that the continuing authority that the Congress and the President would have with respect to the territorial governments could be characterized as limiting the concept of territorial self-government. In our judgment, however, the legislation, amended as we recommend, would provide the maximum degree of self-government consistent with the need for the effective discharge of Federal obligations and responsibilities in these areas.

Accordingly, if amended in the manner recommended above, the Bureau of the Budget would strongly recommend the enactment of S. 449 and S. 450.

In addition, we recommend that the Committee give favorable consideration to the amendments to the bills proposed by the Interior Department in its reports.

Sincerely yours,

WILFRED H. ROMMEL,
Assistant Director for Legislative Reference.

[S. 450, 90th Cong., 1st sess.]

A BILL To provide for the popular election of the Governor of the Virgin Islands, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 7(a) of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 500; 48 U.S.C. 1572(a)), as amended, is amended to read as follows:

"(a) Regular sessions of the legislature shall be held annually, commencing on the second Monday in January (unless the legislature shall by law fix a different date), and shall continue for such term as the legislature may provide. The Governor may call special sessions of the legislature at any time when in his opinion the public interest may require it. No legislation shall be considered at any special session other than that specified in the call therefor or in any special message by the Governor to the legislature while in such session. All sessions of the legislature shall be open to the public."

SEC. 2. Effective on the date of enactment of this Act, section 9, subsection (a) of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 501; 48 U.S.C. 1575(a)) is amended by deleting the first sentence and by substituting therefor the following: "The quorum of the legislature shall consist of eight of its members."

SEC. 3. Section 9, subsection (d), of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 502; 48 U.S.C. 1575(d)) is amended by deleting its sixth, seventh, eighth, ninth, and tenth sentences and by substituting therefore the following: "If, after such reconsideration, two-thirds of all the members of the legislature pass the bill, it shall be a law."

SEC. 4. Section 11 of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 503; 48 U.S.C. 1591) is amended to read as follows:

"SEC. 11. The executive power of the Virgin Islands shall be vested in an executive officer whose official title shall be the 'Governor of the Virgin Islands'. The Governor of the Virgin Islands, together with the Lieutenant Governor, shall be elected by a majority of the votes cast by the people who are qualified to vote for the members of the legislature of the Virgin Islands. The Governor and Lieutenant Governor shall be chosen jointly, by the casting by each voter of a single vote applicable to both offices. If no candidates receive a majority of the votes cast in any election, on the fourteenth day thereafter a runoff election shall be held between the candidates for Governor and Lieutenant Governor receiving the highest and second highest number of votes cast. The first election for Governor and Lieutenant Governor shall be held on November 3, 1970. Thereafter, beginning with the year 1974, the Governor and Lieutenant Governor shall be elected every four years at the general election. The Governor and Lieutenant Governor shall hold office for a term of four years and until their successors are elected and qualified. No person who has been elected Governor for two full successive terms shall be again eligible to hold that office until one full term has intervened. The term of the elected Governor and Lieutenant Governor shall commence on the first Monday of January following the date of election."

"No person shall be eligible for election to the office of Governor or Lieutenant Governor unless he is able to read and write the English language, is and has been for five consecutive years immediately preceding the election a citizen of the United States and a bona fide resident of the Virgin Islands and will be, at the time of taking office, at least thirty years of age. The Governor shall maintain his official residence in the Government House on Saint Thomas during his incumbency, which house together with land appurtenant thereto is hereby transferred to the government of the Virgin Islands. While in Saint Croix the Governor may reside in Government House on Saint Croix free of rent."

"The Governor shall have general supervision and control of all the departments, bureaus, agencies, and other instrumentalities of the executive branch of the government of the Virgin Islands. He may grant pardons and reprieves and remit fines and forfeitures for offenses against local laws. He may veto any legislation as provided in this Act. He shall appoint, and may remove, all officers and employees of the executive branch of the government of the Virgin Islands, except as otherwise provided in this or any other Act of Congress, or under the laws of the Virgin Islands, and shall commission all officers that he may be authorized to appoint. He shall be responsible for the faithful execution of the laws of the Virgin Islands and the laws of the United States applicable in the Virgin Islands. Whenever it becomes necessary, in case of disaster, invasion, insurrection, or rebellion or imminent danger thereof, or to prevent or suppress lawless violence, he may summon the posse comitatus or call out the militia or

request assistance of the senior military or naval commander of the Armed Forces of the United States in the Virgin Islands or Puerto Rico, which may be given at the discretion of such military commander if not disruptive of, or inconsistent with, his Federal responsibilities. He may, in case of rebellion or invasion or imminent danger thereof, when the public safety requires it, proclaim the islands, insofar as they are under the jurisdiction of the government of the Virgin Islands, to be under martial law. The members of the legislature shall meet forthwith on their own initiative and may, by a two-thirds vote, revoke such proclamation.

"The Governor shall make to the Secretary of the Interior under section 30 of this Act an annual report of the transactions of the government of the Virgin Islands for transmission to the Congress and such other reports at such other times as may be required by the Congress or under applicable Federal law. He shall have the power to issue executive orders and regulations not in conflict with any applicable law. He may recommend bills to the legislature and give expression to his views on any matter before that body.

"There is hereby established the office of Lieutenant Governor of the Virgin Islands. The Lieutenant Governor shall have such executive powers and perform such duties as may be assigned to him by the Governor or prescribed by this Act or under the laws of the Virgin Islands."

SEC. 5. Section 12 of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 503; 48 U.S.C. 1593) is deleted and replaced by the following new provision, also designated section 12:

"SEC. 12. Any Governor or Acting Governor of the Virgin Islands may be removed from office by the people registered to vote in the Virgin Islands if: (a) 75 per centum of the persons registered to vote shall vote in favor of recall at a referendum election, and (b) the removal of the Governor or Acting Governor is approved by the President of the United States. The referendum may be initiated by the Legislature of the Virgin Islands, following a two-thirds vote of the members of the legislature in favor of a referendum, or by a petition to the legislature of 25 per centum of the people registered to vote in the Virgin Islands."

SEC. 6. Effective on the date of enactment of this Act section 13 of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 503; 48 U.S.C. 1594) is hereby repealed.

SEC. 7. (a) Section 14 of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 504; 48 U.S.C. 1595), is amended to read as follows:

"SEC. 14. (a) In case of the temporary disability or temporary absence of the Governor, the Lieutenant Governor shall have the powers of the Governor.

"(b) In case of a permanent vacancy in the office of Governor, arising by reason of the death, resignation, removal by recall or permanent disability of the Governor, or the death, resignation or permanent disability of a Governor-elect, or for any other reason, the Lieutenant Governor or Lieutenant Governor-elect shall become the Governor, to hold office for the unexpired term and until his successor shall have been duly elected and qualified at the next regular election for Governor.

"(c) In case of the temporary disability or temporary absence of the Lieutenant Governor, or during any period when the Lieutenant Governor is acting as Governor, the President of the Legislature shall act as Lieutenant Governor.

"(d) In case of a permanent vacancy in the office of Lieutenant Governor, arising by reason of the death, resignation, removal by recall, or permanent disability of the Lieutenant Governor, or because the Lieutenant Governor or Lieutenant Governor-elect has succeeded to the office of Governor, the Governor shall appoint a new Lieutenant Governor, with the advice and consent of the legislature, to hold office for the unexpired term and until his successor shall have been duly elected and qualified at the next regular election for Lieutenant Governor.

"(e) In case of the temporary disability or temporary absence of both the Governor and the Lieutenant Governor, the powers of the Governor shall be exercised, as Acting Governor, by such person as the laws of the Virgin Islands may prescribe. In case of a permanent vacancy in the offices of both the Governor and Lieutenant Governor, the office of Governor shall be filled for the unexpired term in the manner prescribed by the laws of the Virgin Islands.

"(f) No additional compensation shall be paid to any person acting as Governor or Lieutenant Governor who does not also assume the office of Governor or Lieutenant Governor under the provisions of this Act."

(b) Section 15 of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 504; 48 U.S.C. 1596), is repealed.

SEC. 8. Subsection (a) of section 16 of the Revised Organic Act of the Virgin Islands, as amended (68 Stat. 497, 504; 48 U.S.C. 1597(a)), is amended by deleting therefrom the last sentence.

SEC. 9. (a) Effective on the date of the enactment of this Act, section 17, subsection (c), of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 504; 48 U.S.C. 1599(c)) is amended to read as follows: "(c) It shall be the duty of the government comptroller to bring to the attention of the Secretary of the Interior and the Governor of the Virgin Islands all failures to collect amounts due the government, and expenditures of funds or uses of property which are irregular, unnecessary, or not pursuant to law. The audit activities of the government comptroller shall be directed so as to (1) improve the efficiency and economy of programs of the Government of the Virgin Islands and (2) discharge the responsibility incumbent upon the Congress to insure that the substantial federal revenues which are covered into the treasury of the Government of the Virgin Islands are properly accounted for and audited."

(b) Effective on the date of enactment of this Act section 17, subsection (f), of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 505; 48 U.S.C. 1599(f)), as amended, is amended to read as follows: "(f) If the Governor does not concur in the taking of an appeal to the Secretary, the party aggrieved may seek relief by suit in the District Court of the Virgin Islands if the claim is otherwise within its jurisdiction. No later than thirty days following the date of the decision of the Secretary of the Interior, the party aggrieved or the Governor, on behalf of the head of the department concerned, may seek relief by suit in the District Court of the Virgin Islands if the claim is otherwise within its jurisdiction."

(c) Effective on the date of enactment of this Act section 17, subsection (h), of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 505; 48 U.S.C. 1599(h)) is amended to read as follows: "(h) As soon after the close of each fiscal year as the accounts of said fiscal year may be examined and adjusted, the government comptroller shall submit to the Governor of the Virgin Islands, the President of the Senate, and the Speaker of the House of Representatives an annual report of the fiscal condition of the government, showing the receipts and disbursements of the various departments and agencies of the government."

(d) Effective July 1, 1967, a new subsection (k) is added to section 17 of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 505; 48 U.S.C. 1599) to read as follows: "(k) The salary of the government comptroller and the expenses of his office shall be paid by the United States from funds derived by transfer from the internal revenue collections appropriated for the Virgin Islands, but such salary and expenses shall not exceed such amounts as may be specified annually in Federal appropriation acts."

(e) Effective on the date of enactment of this Act a new subsection (l) is added to section 17 of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 505; 48 U.S.C. 1599) to read as follows: "(l) All departments, agencies and establishments shall furnish to the government comptroller such information regarding the powers, duties, activities, organization, financial transactions, and methods of business of their respective offices as he may from time to time require of them; and the government comptroller, or any of his assistants or employees, when duly authorized by him, shall, for the purpose of securing such information, have access to and the right to examine any books, documents, papers, or records of any such department, agency or establishment."

SEC. 10. Section 20 of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 505; 48 U.S.C. 1592, 1598, 1641), as amended, is amended to read as follows:

"SEC. 20. The salaries and travel allowances of the Governor, Lieutenant Governor, the heads of the executive departments, other officers and employees of the government of the Virgin Islands and the members of the legislature, shall be paid by the government of the Virgin Islands at rates prescribed by the laws of the Virgin Islands."

SEC. 11. Effective on the date of enactment of this Act, section 3 of the Revised Organic Act of the Virgin Islands (68 Stat. 497; 48 U.S.C. 1561) is amended by adding at the end thereof the following new paragraph:

"The provisions of paragraph 1 of section 2 of article IV and section 1 of amendment XIV of the Constitution of the United States shall have the same force and effect within the unincorporated territory of the Virgin Islands as in the United States or in any State of the United States."

SEC. 12. Effective on the date of enactment of this Act, chapter 15 of the General Military Law (70A Stat. 15, 16; 10 U.S.C. 331-334) is amended by adding at the end thereof the following new section 336:

"SEC. 336. For the purposes of this chapter, 'State' includes the unincorporated territory of the Virgin Islands."

SEC. 13. Those provisions necessary to authorize the holding of an election for Governor and Lieutenant Governor on November 3, 1970, shall be effective on January 1, 1970. All other provisions of this Act, unless otherwise expressly provided herein, shall be effective January 4, 1971.

SEC. 14. This Act may be cited as the "Virgin Islands Elective Governor Act".

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., February 18, 1967.

Hon. HENRY M. JACKSON,
Chairman, Committee on Interior and Insular Affairs,
U.S. Senate, Washington, D.C.

DEAR SENATOR JACKSON: This is in response to your request for the views of this Department on S. 450, a bill "To provide for the popular election of the Governor of the Virgin Islands, and for other purposes."

We recommend the enactment of S. 450 if amended as suggested in this report. Section 1 of the bill provides for the removal of limitations formerly imposed by the Revised Organic Act of the Virgin Islands on the length of both regular and special sessions of the legislature of the Virgin Islands. It sets the opening date for the annual session of the legislature and sets the basis for special sessions. We feel that this provision is wholly consistent with the spirit and intent of S. 450 and this Department's concern with providing ever more meaningful "home-rule" in the territories.

Section 2 of the bill changes the number required for a quorum of the legislature from seven to eight.

Section 3 of the bill takes from the President his authority to exercise final veto power over the legislation referred to him by the Governor after such legislation has been passed by the legislature over the Governor's veto.

Section 4 of the bill provides for the popular election of the Governor and Lieutenant Governor, defines the scope of the Governor's authority, sets out the duties of his office, and delineates the qualifications for office. The elected Lieutenant Governor will take the place of the Government Secretary now provided for in the Revised Organic Act of the Virgin Islands. A majority vote is required to elect, and a runoff will be held in case a majority is not obtained in the first election.

The bill provides for the election of the first Governor to take place in November 1970 for a two-year term. Thereafter, the election will be held every four years beginning in 1972. There is a provision that limits a person to two terms unless one full term has intervened.

We strongly endorse this section. An elected Governor is very much desired by the people of the Virgin Islands and is the next step in the self-governing process for this territory.

Section 5 of the bill provides for the removal of the Governor. The section provides for a recall if 75 percent of the registered voters vote for the recall at a referendum election and the removal is approved by the President. It also provides that the referendum for the recall may be initiated by the legislature upon a two-thirds vote of the members in favor of such referendum or upon a petition to the legislature of 25 percent of the registered voters. We recommend two changes in this section. First, the words "or Acting Governor" should be deleted from line 10, page 6, of the bill. We suggest that these words be deleted because we can perceive of no reason to provide for the removal of a temporary official. Later sections of this bill provide for a successor to the office of Governor if the elected Governor should, for some reason, not be able to fulfill his term of office.

Second, on page 6, line 12, delete ": (a)" and insert a period after the words "referendum election" and delete all after that phrase to the end of the sentence on line 16, page 6. We have no preference as to a method for removal of the Governor by the people of the Virgin Islands. Both recall and impeachment have been suggested and we would accept either or both forms, whatever the final decision of the Congress. However, we do not believe that, in connection with the recall, a concurrence by the President in any removal by recall, as now provided in the bill, is desirable, and therefore delete that provision. In our opinion, the requirement for such concurrence is wholly inconsistent with the theory and principle of recall.

Section 6 of the bill repeals the power of the Governor to appoint administrative assistants for the islands of St. John and St. Croix. This power would no longer be needed if the bill is enacted.

Section 7 provides for the succession to the office of Governor or Lieutenant Governor if there is either a temporary or permanent vacancy in either office. We recommend that the phrase "removal by recall," be deleted from line 21, page 7. We recommend this deletion because there is no provision in the bill for removal of the Lieutenant Governor by recall or any other method.

Section 8 deletes from the Revised Organic Act of the Virgin Islands the requirement that the Secretary of the Interior approve the creation or establishment of any department, bureau, independent board, agency, authority, commission, or other instrumentality. This deletion is in keeping with the provisions of the bill.

Section 9 contains changes in section 17 of the Revised Organic Act of the Virgin Islands that are necessary to bring that section into conformity with the changes that the elected Governor and his authority will cause in the administrative setup of the Virgin Islands government.

Section 10 provides for the payment of salaries and travel allowances of the Governor, Lieutenant Governor, the heads of the executive departments, other officers and employees of the government of the Virgin Islands and the members of the legislature by the government of the Virgin Islands.

Section 11 extends to Guam the privileges and immunities clauses, the due process clause, and the equal protection of the laws clause of the Constitution. This will guarantee to all United States citizens in or entering the Virgin Islands—including the corporations of any of the United States—rights of national citizenship such as the right to engage in interstate and foreign commerce, the right to appeal in proper cases to the national courts, and the right to protection abroad. We recommend that on page 11, line 25, the word "paragraph" be deleted and in its place be substituted the word "clause". This is a technical amendment to correct the citation to the Constitution.

Section 12 amends the General Military Law to authorize the President to call upon Federal or local forces to suppress civil insurrection in the Virgin Islands as in any State. This change is necessitated by the limitation of authority for the elected Governor of the Virgin Islands to call upon the United States Armed Forces in an emergency.

At this point, we recommend the insertion of a new section 12, to read as follows, and renumbering subsequent sections:

"SEC. 12. Section 2 of the Revised Organic Act of the Virgin Islands (68 Stat. 497; 48 U.S.C. 1541) is amended by adding at the end thereof the following new subsection (c):

"(c) The relations between such government and the Federal Government in all matters not the program responsibility of another Federal department or agency, shall be under the general administrative supervision of the Secretary of the Interior."

This new section is intended to provide for certain loose ends which will remain upon the enactment of this bill. Following the achievement of Commonwealth status by Puerto Rico, we found that no provision had been made for any centralized Federal cognizance of the multitude of matters flowing between the Commonwealth and the Federal Government, as well as between private citizens and the Commonwealth through a Federal "middleman". Because of this Department's peculiar responsibilities for the territories before changes in status are effected, we found ourselves in the position of a intermediary without any real assignment of the function and finally found it necessary to deny any responsibility because our information and contacts were inadequate. We believe that the bill before you should recognize this residual need for coordination, and because of this Department's expertise, vest that responsibility in the Secretary of the Interior. Our amendment recognizes that the people and the government of the Virgin Islands, in many cases, will deal directly with various Federal agencies, and specifically excludes from the residual authority any matters which are the program responsibility of another Federal department or agency.

Section 13 sets out the effective date of the various provisions of the bill.

Section 14 is the citation provision.

It is our view that greater autonomy for the Virgin Islands is morally and politically right. Additionally, in recent years, a popularly elected Governor has been and is now very much desired by the people of the Virgin Islands. The action of the 89th Congress, which came so close to fulfilling the people's wish, has served to sharpen that desire. In view of these developments, we more than ever believe that enactment of this legislation is important, and we are therefore hopeful that this legislation will be enacted early in the 90th Congress.

The Bureau of the Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program, but that the Bureau will submit its comments separately.

Sincerely yours,

HARRY R. ANDERSON,
Assistant Secretary of the Interior.

COMPTROLLER GENERAL,
OF THE UNITED STATES,
Washington, D.C., February 17, 1967.

HON. HENRY M. JACKSON,
*Chairman, Committee on Interior and Insular Affairs,
U.S. Senate, Washington, D.C.*

DEAR MR. CHAIRMAN: This is in reply to your request of January 30, 1967, for our report on S. 450, a bill to amend the Revised Organic Act of the Virgin Islands (68 Stat. 497, 48 U.S.C. 1541).

Section 9 of the bill proposes several amendments to section 17 of the Revised Organic Act of the Virgin Islands, dealing with the office of the government comptroller of the Virgin Islands. That office is under the general supervision of the Secretary of the Interior, and subject to annual review by the Comptroller General of the United States.

You are advised we have no objection to favorable consideration of the proposed amendments to section 17 of the Revised Organic Act. We note they include, in the proposed new subsection 17(k), the method of financing the office of the government comptroller recommended in our report to the Congress dated April 28, 1966 (B-114808), Review of the Activities of the Office of the Government Comptroller of the Virgin Islands.

We would however like to suggest an amendment to the present statutory requirement with respect to our review of the office of the government comptroller of the Virgin Islands. Section 19 of the Revised Organic Act (68 Stat. 505, 48 U.S.C. 1632) provides that the office and activities of the government comptroller of the Virgin Islands "shall be subject to review annually by the Comptroller General of the United States." We believe some flexibility in the frequency of the review of the office of the government comptroller is desirable and that the interval of time between reviews should be left to the discretion of the Comptroller General. Consequently, we recommend that S. 450 be amended to provide for the deletion of the term "annually" from section 19 of the Revised Organic Act.

We have no other comment, or recommendation, to offer with respect to S. 450.

Sincerely yours.

FRANK H. WEITZEL,
Assistant Comptroller General of the United States.

Senator BURDICK. We have as our leadoff witness today the Honorable Harry R. Anderson, Assistant Secretary of the Interior for Public Land Management. At a later point we will also hear from the Governors of the two territories and other interested parties who are here to give testimony. So the first witness this morning will be the Honorable Harry R. Anderson.

I presume that it will be expedient and no one would have any objection if we more or less considered the two bills together as far as your testimony is concerned.

STATEMENT OF HON. HARRY R. ANDERSON, ASSISTANT SECRETARY OF THE DEPARTMENT OF THE INTERIOR FOR PUBLIC LAND MANAGEMENT; ACCOMPANIED BY MRS. RUTH VAN CLEVE, DIRECTOR, OFFICE OF THE TERRITORIES

Mr. ANDERSON. Yes, thank you, Mr. Chairman.

Accompanying me is Mrs. Ruth Van Cleve, Director of the Office of the Territories.

We appreciate this opportunity to appear in support of two very similar bills providing for the popular election of the Governor of Guam and of the Governor of the Virgin Islands.

The views of the Department of the Interior, and our justification for proposing that the territory of Guam and the territory of the Virgin Islands each be governed by a popularly elected Governor were set out in considerable detail in our letters to the President of the Senate of October 11, and October 20, 1965, respectively, when we proposed these measures to the 89th Congress. Each of the bills before you reflects a similar bill in the 89th Congress which was the subject of affirmative action by the Senate and by the House of Representatives during the session of that Congress.

The Department has not altered its support in principle for the two bills now under consideration. However, each of these bills, in our opinion, should be amended in several respects. Our recent reports to Chairman Jackson in connection with S. 449 and S. 450 identify each of these amendments. Today, I would like once more to reaffirm our belief in the merits of this legislation, and in so doing, urge favorable consideration of the elective governor bills.

We continue to believe that the enactment of legislation providing for the popular election of the Governors of Guam and of the Virgin Islands is morally and politically correct. We believe that the people of Guam and of the Virgin Islands have demonstrated their political maturity, and have earned the right to select their own chief executive through the democratic process of free election.

As I have said to you before, it seems to us inconsistent at this time to say to the people of these two territories that they may elect their own legislature, that they may establish an independent judiciary, that their legislature may legislate with respect to all local matters, may levy taxes and may appropriate moneys for the operation of the government, but that they must be satisfied with a federally appointed governor.

In another time and under different circumstances an appointive Governor, first military and then civilian, was an acceptable method of overseeing the Federal interest in Guam and in the Virgin Islands and of providing supervision of the expenditure of directly appropriated Federal funds for the administration of those areas.

An appointive Governor also served to fill the gap during the time that there existed a substantial question as to the political, social, and economic maturity of the people and as to the availability of competent leaders in the local community capable of discharging the duties of the office of Governor. But the situation is different today in Guam and in the Virgin Islands; therefore, internal and external circumstances require that we admit this fact and move ahead toward the goal of providing meaningful self-government for the territories.

The amendments we suggest are not numerous and in several instances are of a wholly technical or clarifying nature.

In connection with the procedure outlined for removal by recall, we recommend that the provision requiring Presidential concurrence in any removal by recall be deleted, because, in our view, the requirement is inconsistent with the philosophy of recall.

In connection with S. 449, we recommend, for the reasons stated in our report, that the Office of Federal Comptroller not be established in Guam. As an alternative, we suggest annual fiscal audits by the General Accounting Office.

We approve the provision appearing in each of the bills removing the Federal limitation upon the length of both regular and special sessions of the territorial legislatures. We would suggest, however—and this does not appear in our report—that provision be made for this provision to become effective upon enactment of the legislation since, while the provision is wholly consistent with the spirit of the elective Governor bills, it is not an integral part of the elective Governor process and need not be postponed until the effective date of the act.

For the reasons stated in our prior submissions and testimony referred to earlier and for the reasons I have expressed today, we urge you to give these proposals prompt favorable consideration. With me today are the Governors of Guam and the Virgin Islands, as well as others having considerable knowledge of the territories and of the details that are involved in these bills, who will answer any questions that you may have.

Thank you, Mr. Chairman.

Senator BURDICK. I am glancing at the amendments. The first amendment suggested is that the provision requiring Presidential concurrence in any removal by recall be deleted. Would you like to amplify that a bit?

Mr. ANDERSON. Yes. The bills, with respect to the provision for recall, provide for a 75-percent vote and therefore, I believe this would be an expression of the electorate and we do not feel it would be necessary that the provision be also included for Presidential removal.

Senator BURDICK. In other words, if 75 percent of the people vote to recall the Governor, that should be enough without any Presidential interference.

Mr. ANDERSON. That is the way it appears to us.

Senator BURDICK. All right. Now, in S. 449 you recommend that the Office of Federal Comptroller not be established in Guam. Would you care to give some further reasons for that decision?

Mr. ANDERSON. Yes. Mr. Chairman, we concur that there should be a Federal audit but we feel that the General Accounting Office, which is an arm of the Congress, can serve this purpose and it would not be necessary to establish an Office of Comptroller to be assigned and be officed at Guam.

This would, we feel, be more costly and the work to be accomplished and the audit can be just as well handled by the General Accounting Office.

Senator BURDICK. Are these duties overlapping right now?

Mr. ANDERSON. They are not overlapping at the present time. It is my understanding at Guam the only audit now is by a private accounting firm. However, I would like to ask Mrs. Van Cleve what the Federal involvement is as to auditing by the General Accounting Office today.

Mrs. VAN CLEVE. Mr. Chairman, I do not believe that there is any general auditing activity conducted by the General Accounting Office in Guam at this time. Customarily GAO does not audit the books of the territorial governments in the absence of an express statutory requirement that it do so. It has been doing so as a result of a statute in the trust territory. It seemed to us that the same technique might work equally well in Guam.

Senator BURDICK. Is there a Federal comptroller established in Guam now?

Mrs. VAN CLEVE. There is none in Guam. There is, of course——
Senator BURDICK. Has there ever been one?

Mrs. VAN CLEVE. No. There has never been one. There is one in the Virgin Islands, since 1954. There is no comparable office in Guam, we presume because the circumstances which gave rise to the Virgin Islands comptroller, that is, Federal matching funds, have never existed in Guam.

Senator BURDICK. What are your views with regard to the comptroller in the Virgin Islands?

Mrs. VAN CLEVE. We have no objection to the continuation of the position and in fact feel that useful purposes are served by the comptroller.

Senator BURDICK. Well, what are the reasons? What fact differences are there?

Mrs. VAN CLEVE. I suppose the short answer, Mr. Chairman, is that the comptroller already exists in the Virgin Islands and thus present us with a different fact situation than we have in Guam.

Additionally there is the particular circumstance of the Virgin Islands matching grant, roughly \$10 million a year, which results from language in the 1954 act and which in turn resulted in the creation of the comptroller's office in the Virgin Islands so that there would be a Federal officer to certify in the manner required with respect to the matching grants.

Since there has not been any fact situation in Guam of a comparable sort, it seems to us that the same rationale does not exist there.

Senator BURDICK. Well, then, the balance of the suggestion is merely technical language.

Mr. ANDERSON. That is correct, sir.

We have one amendment Mrs. Van Cleve would like to discuss with you.

Senator BURDICK. All right. Proceed.

Mrs. VAN CLEVE. The final amendment suggested in our report in each case, I think, does not fall in the category of the technical, though perhaps it does. We have suggested new language to make clear that, notwithstanding the enactment of elective Governor bills, the Secretary of the Interior would continue to have residual authority with respect to the relations between the territorial governments and the Federal Government.

We suggest in our report that a number of agencies, a number of individuals, have felt a lack through the years of an agency which has that kind of general residuary power. In the case of Puerto Rico there is no place in the Federal Establishment today to which one can go to obtain information, for example, with respect to Puerto Rico. We thought that, because the Office of Territories and the Department of the Interior will continue to have certain specific functions with respect to these two territories, it might well be appropriate, in the interests of orderly housekeeping, to have the Secretary of the Interior also charged with, in effect, all other functions not the responsibility of particular Federal agencies.

That I think, Mr. Chairman, is the only amendment that falls in the category of other than wholly technical.

Senator BURDICK. Are you telling me that this residual authority includes all powers and all authority that is not specifically spelled out to be within the realm and province of the legislative government?

Mrs. VAN CLEVE. It would not, Mr. Chairman, concern any power in any real sense of that word. The Secretary already has a few specific powers which would be retained if this legislation were enacted. I refer to such matters as the approval of matching funds, as the conveyance of submerged lands around the territories. He would continue to have that general responsibility. He would not have any responsibilities which are reposed in the jurisdiction of other Federal agencies. Customs would retain the powers it now has with respect to the customs laws for example. The Immigration Service would certainly continue to do that which it is now doing. But there are frequently, in the case of Puerto Rico, people who have problems and do not know where to go in Washington with respect to getting them solved. They want to find out perhaps just general information on the subject of Puerto Rico. They would like information concerning the tax laws. We continue to get these requests because there is no place else for them to go. We tend to pass them along to the offices of either the Resident Commissioner for Puerto Rico or the Commonwealth Office here in Washington.

This is, of course, possible but it is simply less attractive to most people, as they expect the Federal Government to be able to provide the information they seek.

Senator BURDICK. I notice you say—you did not call it power—whatever it is, authority is not extended by this legislation we have before us in any degree.

Mrs. VAN CLEVE. I believe that is correct.

Senator BURDICK. In other words, the Secretary of the Interior would retain whatever authority he had before the passage of these proposed laws.

Mrs. VAN CLEVE. That is precisely the case, yes.

Senator BURDICK. Were the proposed amendments contained in the bills of last year?

Mrs. VAN CLEVE. No. This matter was not covered in the act last year. There is already some language in the Guam statute, the Guam Organic Act, which would serve roughly the purpose we have in mind. It is simply not very felicitous language. There is nothing quite comparable to it in the Virgin Islands Act and we thought it would be desirable to have the two go forward in tandem on the subject.

Senator BURDICK. Do you have the precise language before you that you want to include?

Mrs. VAN CLEVE. Yes, we do.

Senator BURDICK. Tell me where it is to be found in the report.

Mrs. VAN CLEVE. In the case of the Virgin Islands the amendment appears toward the bottom of page 3 of the report. In the case of Guam it appears on page 4.

Senator BURDICK. And the language is identical both for Guam and the Virgin Islands?

Mrs. VAN CLEVE. That is correct. The amendments take different forms because of the existence of comparable language now in the Guam Act but the results would be the same.

Senator BURDICK. I notice in the report it is referred to as the middleman and the authority to pick up loose ends, language of that nature.

Mrs. VAN CLEVE. That is an accurate description, I think, of what we foresee.

Senator BURDICK. The balance of the amendments are technical. Is that right?

Mrs. VAN CLEVE. That is correct.

Senator BURDICK. Senator Hansen, do you have any questions?

Senator HANSEN. No. I do not have any questions right now. Thank you, sir.

Senator BURDICK. Thank you very much.

Hon. Manuel F. Guerrero, Governor of Guam, it is a pleasure to welcome you before the committee.

STATEMENT OF HON. MANUEL F. L. GUERRERO, GOVERNOR OF GUAM

Governor GUERRERO. Good morning, Senator.

Senator BURDICK. You may proceed.

Governor GUERRERO. Do you want me to read my statement, sir?

Senator BURDICK. Any way you wish. If you would rather summarize it the text will be made a part of the record.

Governor GUERRERO. I hope I will be permitted to read it as there are two paragraphs that were left out of the original statement.

Senator BURDICK. You may proceed, then.

Governor GUERRERO. Mr. Chairman, members of the committee, I am very pleased to have the privilege of appearing before you today in support of legislation for an elective Governor of Guam.

My firm conviction that we are ready for this further step in self-government is born of long and deep ties with our island's development.

I was born on Guam. My Government service dates back to 1930 when I started work as a messenger with the U.S. naval government on Guam.

I was a member of the First Guam Legislature that took up the duties of self-government made possible under the Organic Act of 1950 and I have held various positions in several administrations.

I was appointed Secretary of Guam in May 1961 and served in that capacity until my appointment as Governor in March 1963 by President Kennedy.

In my opinion, Guam has progressed steadily since passage of the Organic Act, amply justifying the faith shown by Congress.

Our legislature, a unicameral, 21-member House, has developed a body of law and programs that are typically and proudly American.

The judiciary, which includes both island and Federal courts, has established an effective and respected court system in the best tradition of American law.

The executive branch, carrying out the functions of all three levels of local government—State, county, and civic—is gradually building up a system of services and facilities equal to that of a modern American community.

Some of our major areas of growth since 1950:

Public school enrollment was 9,000. Today it stands at more than 18,000 in some 30 facilities. The student population has increased at about 1,000 annually for the past 4 years and it is expected to grow at the rate of 1,500 annually over the next 4.

There was no facility for higher education. Today the College of Guam is an accredited 4-year liberal arts college with 1,200 full-time students—some 200 of them from the trust territory. Enrollment is expected to climb to 4,400 over the next 5 years.

Guam Memorial Hospital had just been established. It was struggling to build a staff for adequate patient care. Today it is accredited, well run, properly equipped, and cares for an average of 180 patients a day.

Water, power, and other public utilities for the civilian population were practically nonexistent. Today a major public service agency provides power for about 11,000 customers, water to 9,000, and telephone service to 5,000.

We have a well-informed community. There are two locally owned independent daily newspapers and a commercial television and radio station. They provide relatively full coverage of local, national, and international affairs.

Guam's people have been interested and active in the exercise of the rights and responsibilities of citizens of the United States. In our November general election, there were about 20,000 persons eligible to vote, and of these 18,723 registered and 17,124 actually voted.

As most of you probably know, the Democratic Party won all 21 seats in the legislature, taking 13 from the Territorial Party. However, this has not resulted in a single-minded, dictatorial forum. Several factions have developed and major issues are vigorously debated. In addition, the Territorial Party is still a potent political factor, and a newly formed Republican Party promises to play a very active role in the next elections on Guam.

Good relations continue between our civilian and military communities and closer ties are being forged at the administration level. Both the Navy and the Air Force now have members on our school board. Both services also are represented on our crime commission.

The island's economy is strong and I am optimistic about the long-range outlook—particularly in the growth of tourism.

The Civil Aeronautics Board estimates that commercial air traffic to Guam is likely to grow at an annual rate of 25 percent in the immediate years ahead. Such a pace would boost our arrivals to 75,000 by 1970.

Cruise ship visits are also starting. A P. & O. Orient Lines ship paid one call last year, another is coming this year, and two calls are scheduled next year.

Our new air terminal, which we expect to open shortly, will be able to handle the increase in air traffic quite adequately, and we have started construction on a new commercial port to handle our increased imports and the cruise ship potential.

Our main concern now is the need for a major resort hotel to take full advantage of our strategic location between the mainland United States and the Far East.

Private firms interested in putting up a hotel have been unable to obtain low-interest loans from the Economic Development Administration. The government of Guam may have to build a hotel itself. If we do so, we propose to retain ownership, leasing management to an established firm in the field.

All in all, I think the territory is mature enough, both politically and economically, to have earned an elective Governor.

As to the bill itself, I am opposed to the appointment of a Federal comptroller. I appreciate the need for closer control over Federal funds under an elective Governor. However, I think the same purpose

can be achieved through the General Accounting Office, without installing what would amount to a second Governor on Guam.

The Government of Guam Code now provides for an annual independent audit of all of the government's accounts and financial transactions. The auditing firm provides a full financial statement plus a management review criticizing questionable practices and suggesting improved procedures.

I think the Federal interest would be adequately protected if this function were taken over by the General Accounting Office and it reported directly to the U.S. Congress.

I am happy to see the deletion of section 9(a) of the Organic Act. There is no real need for Guamanians to be on a preferred status in the employ of the government of Guam. I consider this policy inconsistent with our Nation's principles of equal rights and opportunities for all.

Also, as to the elective Governor bill, it again provides for deletion of 26(c) of the Organic Act. I hope some provision will be made for reimbursement. I would suggest this come in the form of land or by financial grants through raising the ceiling of the Guam Rehabilitation Act.

Thank you for the opportunity of appearing here today. If there are any questions I will be happy to answer them to the best of my ability.

Senator BURDICK. I do not have a copy of that last point you made here. I wonder if you have an extra copy.

Mr. Guerrero, from your testimony, you apparently have made some notable progress on the island. One question I would like to raise concerns the high schools. I understand that 2 years ago the high schools lost accreditation or did not receive accreditation? Is that right?

Governor GUERRERO. That is correct, sir.

Senator BURDICK. Has it been restored?

Governor GUERRERO. We are working on it. The Western School & College Association, which is located in California, will be in Guam between March 8 and March 15 to make the final assessment and evaluation of our schools, and see if they can be accredited for this school year. We lost accreditation last year because we were unable to provide certain facilities on time. We had to have a dual session of the high schools and they were crowded and very bad. We could not keep up.

Senator BURDICK. Did this come about directly or indirectly from the typhoon?

Governor GUERRERO. Yes, sir. This is part of it and part of it was the natural fear of people to come out to Guam just after the storm because of the lack of facilities and the professional teachers have not been coming out.

Senator BURDICK. Do you expect, then, by the opening of what we call the fall term that you will have accreditation?

Governor GUERRERO. We expect to have accreditation from all indications of the director of education. The children who will be graduated this year in May will receive accreditation credits.

Senator BURDICK. I notice that you and the Department agree on the elimination of the Federal comptroller on the island.

Governor GUERRERO. Yes.

Senator BURDICK. And basically you are in agreement with the present bill and support the present bill but you would rather not have a deletion of 26(c).

Governor GUERRERO. No. I do not oppose the deletion of 26(c). I am hopeful that in deleting 26(c) consideration would be given to what the government of Guam has gone through since 1952 and it would be considered for some assistance.

Senator BURDICK. In some other way or some other manner.

Governor GUERRERO. Yes.

Senator BURDICK. Then the bill as written, with these amendments suggested by the Department, is satisfactory to you?

Governor GUERRERO. That is correct.

Senator BURDICK. And you support it?

Governor GUERRERO. I support it.

Senator BURDICK. Senator Hansen?

Senator HANSEN. I have no questions, thank you, Mr. Chairman.

Senator BURDICK. Thank you, Governor.

Governor GUERRERO. Thank you, sir.

Senator BURDICK. The Honorable Antonio B. Won Pat.

STATEMENT OF HON. ANTONIO B. WON PAT, GUAM'S WASHINGTON REPRESENTATIVE; ACCOMPANIED BY JOAQUIN C. ARRIOLA, SPEAKER, NINTH GUAM LEGISLATURE; GEORGE M. BAMBA, CHAIRMAN, RULES COMMITTEE; AND FLORENCIO T. RAMIREZ, LEGISLATIVE SECRETARY, CHAIRMAN, FINANCE AND TAXATION COMMITTEE

Mr. WON PAT. Mr. Chairman, before I begin I would like to ask your permission to have the delegation from the Guam Legislature up here to join with me in support of this bill.

Senator BURDICK. Will they approach the witness table?

Mr. WON PAT. The Guam delegation.

Senator BURDICK. Having appeared here many times, Mr. Won Pat, you know that the committee appreciates as much brevity as possible and if you care to make your statement a part of the record and comment upon it, it will be included in full.

Mr. WON PAT. Thank you, Mr. Chairman. You have my statement already, so rather than reading it I will briefly summarize it.

Before I begin my statement, I would like to take the opportunity to introduce individually the members of the delegation from Guam. On my right is the Honorable Joaquin Arriola, the new speaker of the ninth Guam Legislature, just elected. He took office this year. And on my left is Senator Bamba. He is the chairman of the rules committee which is, of course, the administrative and policymaking committee of the legislature. To the extreme left is Senator Ramirez, who is the legislative secretary and also chairman of the finance committee.

Further, I would like the permission of the chairman to read and introduce for the record a communication I have received from Guam.

First, I have a telegram from the Territorial Party of Guam. This is the political party that had control of the eighth Guam Legislature. Unfortunately they were all swept out in the last election.

Senator BURDICK. Do you call that the other party?

Mr. WON PAT. Yes. It might be in order to say that the Democrats completely gained the 21 seats in the last election.

Senator BURDICK. And the Democrats were the minority party in the previous legislature?

Mr. WON PAT. Yes, sir.

Senator BURDICK. So you have a two-party system?

Mr. WON PAT. We do have a two-party system on Guam but today, I mean, in the ninth Guam Legislature, they are all Democrats. There is not a single Republican or a single Territorial, but, of course, we cannot dispute that because that is the will of the electorate. We have no control over that.

Senator BURDICK. Well, is not the Territorial Party a separate party?

Mr. WON PAT. Yes, sir. The Territorial Party has been organized since 1954 but the Republican Party has just been organized and resulted from the defeat of the Territorial Party. I think they are a splinter party.

Senator BURDICK. Then you have three political organizations?

Mr. WON PAT. There are three political organizations on the island, the Republican Party, the Democratic Party, and the Territorial Party.

Senator BURDICK. I see.

Mr. WON PAT. Now, here is the message from the Territorial Party:

GUAM, February 14, 1967.

Representative A. B. WON PAT,
200 Maryland Avenue NE.,
Suite 301, Washington, D.C.

SIR: On behalf of the Territorial Party strongly urge your support passage of elective governorship bill on hearing, February 20. Elective governorship and other forward step in political advancement for Guam.

PAUL CALVO,
Chairman, Territorial Party of Guam.

Mr. WON PAT. The telegram from the Republican Party is as follows:

GUAM, February 2, 1967.

A. B. WON PAT,
Guam Washington Representative,
Washington, D.C.

SIR: Republican Party of Guam supports elective governorship bill in its entirety as reported by Senator Jackson scheduled for hearing in Senate Subcommittee on Territories, February 20.

JOSEPH FLORES,
Guam Republican Party.

Mr. WON PAT. And they confirmed this in a letter which reads:

REPUBLICAN PARTY OF GUAM,
Agana, Guam, February 2, 1967.

HON. ANTONIO B. WON PAT,
Guam Washington Representative,
Suite 301, 200 Maryland Avenue, NE.,
Washington, D.C.

DEAR PAT: This confirms our cable of this date which reads: "Republican Party of Guam supports elective governorship bill in its entirety as reported by Senator Jackson scheduled for hearing by Senate Subcommittee on Territories, February 20.

"JOSEPH FLORES,
"Republican Party."

The views of the officers and precinct leaders of the Republican Party of Guam are in complete agreement with contents of Bill H.R. 11775 as amended and reported by Mr. Jackson.

We thank you for the opportunity to express the views of the Republican Party on this very important bill for which we would be most grateful for any efforts you may exert to inform the committee of our stand.

With warm regards and best wishes, I am,

Sincerely yours,

JOSEPH FLORES,
Chairman, State Central Committee.

Mr. WON PAT. Incidentally, Joseph Flores was a former Republican-appointed Governor of Guam.

The Democratic Party of Guam has this to say:

DEMOCRATIC PARTY OF GUAM,
Agana, Guam, February 15, 1967.

Re S. 449 (Guam Elective Governor Bill).

Hon. A. B. WON PAT,
*Guam's Washington Representative,
Washington, D.C.*

DEAR MR. WON PAT: The Democratic Party of Guam reiterates its position with reference to an elective governor for Guam and herewith adopts its Resolution adopted January 18, 1966, at its stand and position regarding the bill pending before Congress. A true copy of such Resolution is attached hereto, and I request that such Resolution be presented to the Senate Interior & Insular Affairs Committee during the hearing on the above-numbered bill.

Sincerely,

J. U. TORRES,
State Chairman.

DEMOCRATIC PARTY OF GUAM

Relative to respectfully petitioning and memorializing the President of the United States and the Congress of the United States to enact H.R. 11775, 89th Congress, 1st Session, a Bill to provide for the popular election of the Governor of Guam, and for other purposes.

Be it resolved by the Democratic Party of Guam:

Whereas, the people of Guam have been living under the American form of government since 1898 when Guam was ceded by Spain to the United States of America, and during these many years, the sole aspiration of the people of Guam is to attain American citizenship and local self-government for themselves under the American flag, since they have demonstrated and established beyond doubt that they are not only patriotic as evidenced by their acts and actions during the enemy occupation of Guam during World War II, but are well-versed and learned in the democratic processes and the American way of life; and

Whereas, as a result of the many petitions of the people of Guam for American citizenship, a few years after World War II, the Congress of the United States passed, and the President of the United States signed, into law, the Organic Act of Guam which granted the people of Guam American citizenship and a limited form of self-government; and

Whereas, since 1950, the Governor of Guam, pursuant to the Organic Act of Guam, is appointed by the President of the United States, subject to confirmation by the United States Senate, and the administration of the territory of Guam has been placed under the cognizance of the Department of the Interior, and for these past 16 years, two governors of Guamanian ancestry have been appointed by our President to hold this highest and most important office in our Island, thereby manifesting the trust and confidence that the President and the Congress have placed upon the people of Guam, and in addition to these two, there are other persons on Guam who are indubitably and eminently qualified to hold this position; and

Whereas, it is the unanimous consensus of the people of Guam that they have advanced themselves politically, socially, and economically, to the extent that they are fully qualified and competent to elect their own Chief Executive for Guam; and

Whereas, in recent years, various officials of the Federal government have expressed their belief that the people of Guam are ready and mature to assume the responsibility of choosing their own governor; and

Whereas, no action of the President and Congress of the United States will be more appreciated and readily accepted with gratitude and humility than the enactment of legislation granting the people of Guam the right and privilege of electing their own governor; now therefore be it

Resolved, That the Democratic Party of Guam, duly convened on January 18, 1966, does hereby respectfully petition and memorialize the President of the United States and the Congress of the United States to enact H.R. 11775, 89th Congress, 1st Session, A BILL to provide for the popular election of the Governor of Guam; and be it further

Resolved, That this resolution do serve as an acknowledgment and expression of the people of Guam for the interests shown Guam by the President and Congress of the United States, and the sentiments of this resolution asking for an elected Governor of Guam should in no way be intended as a criticism of the present system of appointing the Governor of Guam, but embodying a sincere and heartfelt request of the people of Guam to attain the goals of American democracy in the selection of their governor; and be it further

Resolved, That the State Chairman of the Democratic Party of Guam certify to and the Secretary thereof attest the adoption of this resolution and that copies of the same be thereafter transmitted to the President of the United States, to the Presiding Officer of the United States Senate, to the Speaker of the House, to the Chairman, Senate Interior and Insular Affairs Committee, to the Chairman, House Interior and Insular Affairs Committee, and to the Democratic National Committee in Washington, D.C.

Duly adopted this 18th day of January 1966.

J. U. TORRES,
State Chairman.
JUAN G. BLAS,
Secretary.

Attested:

Senator BURDICK. In other words, you have expressions of approval from all three political organizations.

Mr. WON PAT. Yes, sir.

With respect to my position as the elected representative of Guam in the Nation's Capital, I am in full agreement with the general intent of the bill as I had previously testified in the hearing last fall.

Of course, I make specific recommendations for amendments to the bill. Essentially the recommendations are on page 2, line 8 of the bill, the date of the first election should be changed from November 3, 1970, to November 6, 1968, to coincide with the year in which presidential elections are held. Guam is a part of America and having our first elective Governor election in a presidential year will have a special significance in emphasizing our participation in American political life. You have the excellent precedent in Puerto Rico, which held its first Governor election in 1948, a presidential election year.

Now, the next amendment will be on page 2, line 9, where "Beginning with 1974," should become "1972".

On page 5, lines 3 and 4, we urge deletion of subsection (b) in its entirety. That is the removal of Governor or Acting Governor by approval of the President.

In no other political entity under the American flag is the action of an electorate in recalling an official subject to veto in Washington. Under subsection (a) of S. 449 at least 75 percent, three-quarters, of all registered voters must have gone on record for such a recall. Such a heavy majority would mean, inevitably and beyond doubt, that a Governor who had been elected had turned out very badly, indeed. It would mean that he would have shown himself to be grossly incompetent or grossly corrupt and dishonest. To have such a solemn act of a sovereign people subjected to a veto in Washington would be tantamount to disenfranchisement of a segment of American citizens.

On page 7, lines 12 to 25 and on page 8, lines 1 to 25 and on page 9, lines 1 to 25, page 10, lines 1 to 25 and page 11, lines 1 to 4, the proposal for section 9(a) of the Organic Act should be deleted. Substituted therefor should be a simple provision for an annual audit and report of Guam's fiscal operations by the General Accounting Office. I think this position is also held, as I heard this morning, by the Interior Department.

I am in complete agreement that it is a responsibility of the U.S. Congress to insure that the substantial revenues of the government of Guam are properly accounted for and audited. I am also in agreement that an annual audit should be directed so as to improve the efficiency and economy of the programs of the Governor of Guam.

I am in agreement with these principles because they are sound and desirable. It is important to note that they have already been carried out in Guam. An independent audit of the government of Guam, paid for by revenues of the Governor of Guam and containing management improvement recommendations, has long been an annual occurrence in Guam.

There is no need for a Government Comptroller in Guam as there was once in the Virgin Islands. As a matter of fact, the Department of the Interior has at least twice recommended that the Office of the Government Comptroller be transferred to the government of the Virgin Islands. Furthermore, the Virgin Islands Office of the Government Comptroller was created as a result of (1) an increase in net revenues collected by the U.S. Treasury on the Virgin Islands products transported to the United States, and (2) the presence of the Virgin Islands Corp. Neither of these conditions exist with respect to Guam.

The responsibility that the Congress has to insure that Federal revenues are properly accounted for can easily be met by the General Accounting Office. The General Accounting Office already exists as the agency with the expertise to insure proper auditing, accounting, and effective management practices. There is, therefore, no need to create an office of a resident Government Comptroller in the case of Guam. It would only cause the needless expenditure of Federal funds for functions already being performed, funds which in the case of the Virgin Islands have averaged more than \$160,000 per year during the fiscal year 1960 through fiscal year 1966.

On page 13, line 7, "1970" should be changed to "1968" in both cases.

On page 13, line 9, accordingly, "1971" should be changed to "1969".

Mr. Chairman and members of the committee, I appreciate the opportunity to be heard as the elected spokesman for the people of Guam. Again I want to assure you of our support of Senator Jackson's bill and yours, Mr. Chairman, and commend to your attention and consideration the proposed amendment and changes.

At this time I will be glad to answer any question with respect to the amendment made or the bill in general.

(The full statement of Mr. Won Pat follows:)

STATEMENT OF ANTONIO B. WON PAT, GUAM'S REPRESENTATIVE IN
WASHINGTON

Mr. Chairman and Members of the Committee: My name is Antonio B. Won Pat and I am the elected representative of Guam in our Nation's Capital. It is in

this capacity—as the official spokesman chosen by the people of Guam—that I appear before you here today to express the support of the people of Guam for Senator Jackson's bill, S. 449, and to urge favorable and prompt action on it by this Committee and by the Senate.

Joining me here today in support of this measure are Speaker Joaquin C. Arriola and other members of the 9th Guam Legislature, which took office this year. I wish to point out to the Committee that the elective Governor proposal has the overwhelming support of the major political parties on Guam—the Democratic, the Territorial and the newly organized Republican party. It also has the support of the people of Guam themselves.

While wholeheartedly supporting S. 449, we would like to propose our recommendation for certain amendments.

Before discussing them in detail, I would like to read and present for the record, communications I have received from Guam on the measure before you, and make a few general observations.

Mr. Chairman, I ask that these communications be received and the texts be printed in the record.

Today's hearing on an elective Governor and Lieutenant Governor for Guam is a direct and logical development growing out of the hearings held by this same Committee some seventeen years ago—on April 19, 1950, to be exact—on the late Senator O'Mahoney's bill for an Organic Act for Guam. This was S. 1892, 81st Congress, and the hearing was conducted by a special Subcommittee consisting of Senator Anderson as Chairman, and Senators Ecton of Montana and Taylor of Idaho.

It was my privilege to testify also at those hearings on the Guam Organic Act. I then was Speaker of the Guam Assembly, which was established and existed only at the pleasure of the administrative agencies of the Federal Government—first in the Navy and since 1949 in the Department of the Interior.

As the hearings on S. 1892 of the 81st Congress show, Senator Anderson in his capacity as Subcommittee Chairman, asked me searching and penetrating questions concerning the bill itself, the text of which had been submitted by then Secretary of the Interior, Krug; and with regard to Guam generally. The Anderson Subcommittee proposed effective amendments to the bill; the amended text of the Senate bill was substituted for then Congressman Peterson's bill, H.R. 7273; and the text of the Senate bill became Public Law 81-630. This is the Guam Organic Act.

Mr. Chairman and members of the Committee, I have gone into the legislative history of the Organic Act because the bill before you today would extend the principles of that great and far-sighted charter of self-government. As a Guamanian, I am proud to have worked with Senator Anderson and the other members of the Committee in fashioning it. As Speaker of the Guam Legislature for twelve years, it has been my privilege to represent the views and interest of the people of Guam on many measures affecting Guam that come before this Committee for consideration.

Since the Organic Act was passed, Guam's political, economic and social development during the past seventeen years are matters of record which would be redundant to recite.

And now, Mr. Chairman and members of the Committee, I would like to discuss the following proposed amendments:

1. Page 2, line eight: The date of the first election should be changed from November 3, 1970 to November 6, 1968, to coincide with the year in which Presidential elections are held. Guam is a part of America, and having our first elective Governor election in a Presidential election year will have special significance in emphasizing our participation in American political life. You have the excellent precedent of Puerto Rico which held its first Governorship election in 1948, a Presidential election year.

2. Page 2, line nine: Accordingly, "Beginning with 1974" should become: "1972."

3. Page 5, lines three and four: We urge deletion of subsection (b) in its entirety. In no other political entity under the American flag is the action of an electorate in recalling an official subject to veto in Washington. Under subsection (a) of S. 449 at least 75 per cent—three-quarters—of all registered voters must have gone on record for such a recall. Such a heavy majority would mean, inevitably and beyond doubt, that a Governor who had been elected had turned out very badly indeed. It would mean that he would have shown himself to be grossly incompetent or grossly corrupt and dishonest. To have such a solemn act of a sovereign people subjected to a veto in Washington would be tantamount to disenfranchisement of this segment of American citizens.

Again, permit me to cite the precedent of Puerto Rico which has stood the tests of two decades in a more politically turbulent and instable area than is Guam.

A provision more in keeping with our American tradition of local sovereignty would be one for replacement of a Governor or Acting Governor following recall.

4. Page 7, lines 12-25, Page 8, lines 1-25, Page 9, lines 1-25, Page 10, lines 1-25, and Page 11, lines 1-4:

The proposal of a Section 9-A to the Organic Act should be deleted. Substituted therefor should be a simple provision for an annual audit and report of Guam's fiscal operations by the General Accounting Office.

I am in complete agreement that it is a responsibility of the United States Congress to insure that the substantial revenues of the Government of Guam are properly accounted for and audited. I am also in agreement that an annual audit should be directed so as to improve the efficiency and economy of the programs of the Government of Guam.

I am in agreement with these principles because they are sound and desirable. It is important to note that they are already being carried out in Guam. An independent audit of the Government of Guam, paid for by revenues of the Government of Guam and containing management improvement recommendations, has long been an annual occurrence on Guam.

There is no need for a Government Comptroller in Guam as there once was in the Virgin Islands. As a matter of fact, the Department of the Interior has at least twice recommended that the office of the Government Comptroller be transferred to the Government of the Virgin Islands. Furthermore, the Virgin Islands office of the Government Comptroller was created as a result of (1) an increase in net revenue collected by the United States Treasury on Virgin Island products transported to the United States and (2) the presence of the Virgin Islands Corporation. Neither of these conditions exists with respect to Guam.

The responsibility that the Congress has—to insure that Federal revenues are properly accounted for—can easily be met by the General Accounting Office. The General Accounting Office already exists as the agency with the expertise to insure proper auditing, accounting, and effective management practices.

There is, therefore, no need to create an office of a resident Government Comptroller in the case of Guam. It would only cause the needless expenditure of Federal funds for functions already being performed—funds which in the case of the Virgin Islands have averaged more than \$160,000 per year during the fiscal year 1960 through fiscal year 1966 period.

5. Page 13, line seven: "1970" should be changed to "1968" in both cases.

6. Page 13, line nine: Accordingly, "1971" should be changed to "1969."

Mr. Chairman and members of the Committee, I appreciate this opportunity to be heard as the elected spokesman for the people of Guam. Again I want to assure you of our support of Senator Jackson's bill, and commend to your attention and consideration the proposed amendments and changes.

Senator BURDICK. Before we go into questioning, I wonder if either of the legislators would like to say a few words?

Mr. WON PAT. I think the Speaker has a statement also and so has Senator Bamba.

Senator BURDICK. Mr. Speaker, you present yours first.

Mr. ARRIOLA. Thank you, Mr. Chairman. I would prefer to summarize my statement rather than read it.

Senator BURDICK. Without objection it will be made a part of the record.

Mr. ARRIOLA. I have also a resolution passed by the legislature setting forth the views of the legislature in relation to the election in Guam.

Senator BURDICK. Without objection that also will be included in the hearing record, following your prepared statement.

Mr. ARRIOLA. The Guam Legislature has two objections, one quite minor, the other one we think quite important. One is the date which Mr. Won Pat had discussed previously. We think that the date should be changed from 1970 to 1968. This would be for the next general election both in Guam and in the mainland.

The other provision which we think is rather awkward is the provision for a Comptroller for Guam. The members of the legis-

lature feel very strongly that there is no need for this provision in the event there is an elected governorship for Guam. The branches of the government of Guam have shown fiscal responsibility in the affairs of their government. We approve of the deletion in the Organic Act which requires the Government of Guam to give preference of employment to those persons of Guamanian ancestry.

We approve of the deletion limiting the 60-day session for the legislature any given year and we approve of the deletion of the provision which requires the Federal Government to pay for island employees of the government of Guam.

I would be glad to answer questions from the Chairman and Senator Hansen, sir.

(The statement and resolution referred to follow:)

STATEMENT OF JOAQUIN C. ARRIOLA

Mr. Chairman, Members of the Committee: I am honored to appear today before this committee which has played and will continue to play, such an important role in Guam's development. The territory of Guam is very much the creation of the United States Congress and we are grateful for the continuing attention that has always been given our problems by the Congress and by this Committee. Thus we know that the time being ripe for Guam to elect its own Governor, Congress will take the steps that are necessary to bring this about.

Bill No. S. 449, which proposes to provide an elective governor for Guam, represents to the members of the Guam Legislature a well nigh perfect piece of legislation. But there are provisions in the bill which we suggest be amended.

The first matter, relatively unimportant in the long run, but significant at this stage is the provision that would authorize the first election of Governor only in 1970, over three years from now. We feel that if the people of Guam have merited the right to elect their chief executive, the election should be held at the next regular election scheduled for the territory, which is in November of 1968, and not postponed another two years thereafter.

If this committee and the Congress are of the opinion that the people of Guam are now politically mature and ready to elect their own chief executive, then the first election should be held in November, 1968. The 1970 date is too far away and the pressure of waiting, political jockeying and maneuvering, is going to be almost unbearable to the electorate of Guam who take their politics very seriously.

The only other objection we have to Bill No. S. 449 is to those provisions setting up the office of Government Comptroller who reports to the Secretary of the Interior. The people of Guam are conscious of the fact that the Congress has been extremely generous with the territory in permitting the income taxes collected in Guam to be expended in Guam. It is this provision in our Organic Act which has permitted Guam to develop as a modern American community, and we can understand why the Congress might feel that when the Federal Government no longer has a voice in the selection of the chief executive of the territory, some sort of watchdog is necessary to keep an eye on these quasi-Federal funds. However, before such a comptroller is appointed, we respectfully suggest that the elected Governor of Guam and his administration be given a chance first to demonstrate their fiscal responsibility and only if it becomes apparent that an elected governor is irresponsible in his handling of Federal and other territorial funds should such a Federal monitor, as it were, be appointed. To my knowledge, no appointed Governor of Guam has been remiss in his handling of Federal or territorial funds, and I respectfully suggest that the elected Governor be given the benefit of the doubt and be permitted to inaugurate his administration without such an independent federal official looking over his shoulder. If in the course of this first administration by an elected Governor it appears that the fears of Congress were well-founded and that Federal and territorial funds are not being properly accounted for, then would be the time to set up the office of Government Comptroller. We suggest that an examination of the history of Guam since the passage of the Organic Act, during which time most of the funds, both Federal and territorial, have been under the care of local officials, will demonstrate that there have been no scandals in the handling and disbursement of such monies, that such local officials have behaved responsibly, the books of the Government of Guam having been audited annually by an outside accounting

firm which reports to the Legislature, and that the Government of Guam generally has shown fiscal soundness and responsibility. With this history, we of the Legislature think it unfair to saddle the new elected Governor with a Federal overseer since there is nothing in the record to demonstrate the need of such a watchdog.

Mr. Chairman, and Members of this Committee, please give the Government of Guam a chance to show its abilities under its new elected chief official without saddling it from the start with a Government Comptroller answerable to no one in the Government of Guam. If the new administration demonstrates an irresponsible attitude toward fiscal matters then would be the time to set up such a comptroller, but until such irresponsibility is shown, we sincerely believe that the elected Governor of Guam should in fact be the highest civilian official in the territorial Government and not one under the eye and to some extent, the control of an independent Federal auditor.

I am carrying with me Resolution No. 87, unanimously adopted by the Ninth Guam Legislature during the last session. This resolution, which I am submitting to the Committee, sets forth the views of the Legislature on the proposed legislation to provide Guam an elected Governor. The Committee should note that it generally favors the Senate version of the proposed elected Governorship legislation over that of the House of Representatives, with the two exceptions I have previously touched upon, the 1970 election date and the Government comptroller. Thus we prefer a 4-year term for the Governor rather than a two-year term, the recall of elected officials rather than their impeachment, and a limitation on the terms of any Governor to two full successive terms, all as in the Senate bill.

We also note with pleasure that the proposed legislation for an elected Governor for Guam includes provisions to reform the Organic Act by deleting or amending some of its sections which have proven to be either unworkable or undesirable. We of the Legislature thoroughly approve the proposed deletion of those parts of the Organic Act giving preference in Government employment to those of Guamanian ancestry. In the first place, no one quite knows what Guamanian ancestry consists of, and secondly, and more important, as an American community we firmly believe that racial preferences of any sort are to be avoided.

We also very much like the provision that permits the Legislature to determine the length of its regular sessions since we believe in this way local legislation will receive more care in its preparation and enactment, the 60-day limitation in the present Organic Act considerably hobbling the Legislature in its consideration of matters before it. We are also very grateful for the proposed change in the Organic Act to permit the Legislature to override the Governor's veto with finality, the present practice of sending a bill back to the President after the Governor's veto has been overridden being, in our opinion, impracticable and undesirable. We also concur with the repeal of that provision of the Organic Act which apparently requires the Federal Government to pay for the transportation expenses of off-island employees of the Government of Guam. This is an expense that should be and has been borne by the local treasury and we agree that any provision to the contrary in the Organic Act should be stricken.

To conclude, on behalf of the Ninth Guam Legislature, I wish to thank the Committee for listening to my views and for its interest in Guam's problems. May I respectfully reiterate the unanimous desire of the Legislature for the passage of legislation permitting Guam to elect its own Governor. We are ourselves convinced that the people of Guam have proven their right to such a privilege and we are hopeful that the Congress of the United States and the President will concur.

RESOLUTION NO. 87 OF THE NINTH GUAM LEGISLATURE

Relative to expressing the views of Guam's elected representatives on the proposed legislation to provide for the popular election of the Governor of Guam.

Be it resolved by the Legislature of the Territory of Guam:

Whereas, the Legislature is advised that there has already been introduced into the United States Senate, in these early days of the 90th Congress, a bill to provide for the popular election of the Governor of Guam, and since both the Senate and the House passed Governorship Election Bills in the 89th Congress, it appears quite likely that there will shortly be enacted into law an amendment to the Organic Act of Guam to permit the people of Guam to choose their own chief executive, a consummation devoutly to be wished; and

Whereas, the members of the Guam Legislature are intensely interested in the enactment of such legislation since being now the only branch of the Government

of Guam elected by the people, their responsibilities are doubly heavy as such sole elected spokesmen, while if the chief executive himself were elected, along with the legislators, in the standard American way, then such chief executive, as well as the legislators, could all be deemed to speak for the people of Guam; and

Whereas, this deep interest of the senators of Guam in the Elected Governor Bill has caused them to study all versions of the bill so far introduced in Congress and they have accordingly arrived at a consensus as to the provisions to be preferred; now therefore be it

Resolved, That the Ninth Guam Legislature does hereby on behalf of the people of Guam respectfully present to the Congress of the United States its views on the proposed Elected Governor Bill, briefly summarized as follows:

1. That the first election for Governor and Lieutenant Governor under the Act be held in November, 1968;

2. That the term of office for Governor and Lieutenant Governor be for four (4) years and that no person who has been elected Governor for two (2) successive terms shall be again eligible to hold that office until one full term has intervened;

3. That the candidates for Governor and Lieutenant Governor be at least thirty (30) years of age, United States citizens and bona fide residents of Guam for five (5) years preceding the election;

4. That the elected office of Lieutenant Governor is desirable and that the Governor and Lieutenant Governor should be chosen jointly by each voter casting a single vote applicable to both offices;

5. That in lieu of impeachment, recall procedures should be authorized for the elected Governor such recall to require concurrence of the President of the United States and of 75% of the voters, and at a referendum initiated by the Guam Legislature following a two-thirds vote of its members or a petition to the Legislature by 25% of the voters of Guam;

6. That in so amending the Organic Act of Guam to provide for an elected Governor, it is highly desirable to remove the provisions referring to preferences to be given in Government employment to those of Guamanian ancestry;

7. That in such Organic Act revision, it is also desirable to take away the power of the Governor to appoint or remove officers of the Government without any specific authority in law;

8. That in such revision, the right of the Governor to send bills over which his veto has been overridden by the Legislature back to the President for the latter's ultimate consideration be removed, and that the Legislature be enabled to override the Governor's veto with finality;

9. That the provision of a Government Comptroller who reports directly to the Secretary of the Interior and not to the Legislature of Guam is not desirable in the absence of a showing that the territorial government has not acted responsibly with respect to the expenditures of public funds; and further that such provision would run counter to the basic object of permitting the people of Guam to elect their own governor, i.e., granting more political autonomy to the people of Guam, as such provision will diminish rather than increase the power and authority of the elected officials of Guam; and be it further

Resolved, That this resolution do also serve as a respectful reiteration of the unanimous belief of the people of Guam that they are capable of electing their own chief executive and that provision of such privilege is greatly desired and will be gratefully received; and be it further

Resolved, That the Speaker certify to and the Legislative Secretary attest the adoption hereof and that copies of the same be thereafter transmitted to the Honorable Henry M. Jackson, Chairman, Committee on Interior and Insular Affairs, United States Senate, and to the Honorable Wayne M. Aspinall, Chairman, Committee on Interior and Insular Affairs, United States House of Representatives, to the Honorable Stewart L. Udall, Secretary of the Interior, to the Honorable A. B. Won Pat's, Guam's Washington Representative, and to the Honorable Manuel F. L. Guerrero, Governor of Guam.

Duly and regularly adopted on the 2nd day of February 1967.

J. C. ARRIOLA,
Speaker.
F. T. RAMIREZ,
Legislative Secretary.

Senator BURDICK. The chairman of the Rules Committee is next.

Mr. BAMBA. I have a prepared statement, Mr. Chairman, that I would like to summarize and request that it be incorporated in the hearing record.

Senator BURDICK. Your prepared statement will be made a part of the record.

Mr. BAMBA. I would support the remarks made by the Governor, the Speaker and our Washington representative, Mr. Won Pat. I have with me here, Mr. Chairman, a copy of our latest financial reports done by Peat, Marwick and Mitchell. This is an independent nationally known auditing certified public accountant. I would like that to go to the committee for their information.

Senator BURDICK. The document will be received and filed, not made a part of the record.

(The document will be found in the files of the committee.)

Mr. BAMBA. That is about all I have to say.

Senator BURDICK. Do you concur with the two preceding witnesses in their views?

Mr. BAMBA. Yes, sir.

(The statement referred to follows:)

STATEMENT OF GEORGE M. BAMBA, CHAIRMAN, COMMITTEE ON RULES, NINTH GUAM LEGISLATURE

Mr. Chairman and Members of the Committee: My name is George M. Bamba and I am an elected Senator in the Guam Legislature and presently Chairman of the Committee on Rules and a member of the Committee on Finance and Taxation. It is in this connection that I am appearing before you to express support of the people of Guam on Bill S. 449 and to request favorable action. I want to express my deep appreciation for the opportunity afforded me to make these few remarks. I will like to go on record supporting the statements of Governor Guerrero, Speaker Arriola and Honorable Won Pat.

I have been a member of the Guam Legislature since the 4th Legislature and served in the Finance and Taxation Committee for a period of over ten years. All through these years, I say without reservations that the American people of Guam are ready to shoulder any additional responsibility for greater autonomy.

The Guam Legislature, as well as the Executive Branch, has taken every precautionary measure to assure the Federal government and the people of Guam of a sound fiscal policy. We have in our statute a mandatory provision for an annual fiscal analysis and auditing of the Government by an independent nationally known auditing firm under the supervision of the Guam Legislature. Just last session of the Legislature, there was an appropriation of \$50,000 to carry out the intent of this law for the audit of fiscal year 1967. Not only are the governing bodies of Guam fiscally responsible but also the taxpayers are as equally responsible. They demonstrated this fiscal responsibility right after Typhoon Karen when destruction was such a tremendous blow financially. Our taxpayers did not neglect to pay their tax obligations.

Aside from any Federal grant or loan to assist the Government in rehabilitating public facilities, the people of Guam rebuilt their homes and business establishments, utilizing standard financing agencies of both federal and private entities. I know of no special aid or legislation giving the people direct assistance to rehabilitate their homes and businesses. It is for these reasons that we strongly object that provision in the bill regarding the Comptroller.

To further enlighten the Committee on this objection, I submit herewith the latest Audit Report for the Fiscal Year 1966 of Peat, Marwick, Mitchell and Company, an independent firm, for your information.

I would like also to assure you that the people of Guam will not tolerate fiscal irresponsibility that will affect the interest and welfare of the United States and that of Guam.

While I do recognize the concern of the Committee in giving us the right to elect our own Governor, we know that this right and privilege is a creature of the Federal government and can be taken back at the desires of the members of Congress. But give us the opportunity to prove ourselves, as we have done so in the past, that we can manage the affairs of the Territory of Guam as Congress anticipated us to do. We have proven ourselves as loyal Americans. Many of our people, not only in the military, have paid the supreme sacrifices in World War II, Korean War, and now in Vietnam in the display of our pride to be

Americans. We have more of our sons in the service in Vietnam, per capita, than any other state or territory of the United States carrying over the mission of the United States. As of now, fifteen of our own men were killed in Vietnam—two of them very dear to me. The first Guamanian killed is the son of my first cousin from my mother's side, and the third is my first cousin from my father's. My father-in-law was beheaded by the Japanese during World War II for aiding an injured American pilot out of his plane that crash landed in the vicinity of the Naval Communication Station in Guam. Our unquestionable loyalty to the United States could be compared with our ability to manage our affairs.

I again extend my sincere appreciation for your continued support, understanding and cooperation.

Senator BURDICK. The next gentleman.

Mr. RAMIREZ. Mr. Chairman, I do not have a prepared statement. I just want to associate myself with all the statements made by these gentlemen and the Governor of Guam and we hope you will give consideration to this bill.

Senator BURDICK. As I summarize your testimony, Mr. Won Pat and the rest of you gentlemen, it is that you concur in the Department's view that there is no need of a Comptroller, is that correct?

Mr. WON PAT. Yes, sir.

Senator BURDICK. And the second position you take is that you would like to have the election date so that it corresponds with the national elections.

Mr. WON PAT. Yes, sir.

Senator BURDICK. Now, as you know, there are two views on that.

Mr. WON PAT. Yes, sir.

Senator BURDICK. One view is that if the elections are held in an off-presidential year, it will be less affected by national issues and more affected by local issues.

Mr. WON PAT. May I comment on that?

Senator BURDICK. Yes, you may.

Mr. WON PAT. That may be a true in some respect but even down here I think that a local election is influenced by local issues. It is true that in a Presidential election sometimes the President, you know, carried a number of the local officials, Senators and Congressmen into office. And the same will hold true in Guam. But in Guam, I remember in the 1964 election the Democrats lost the majority of the seats but this year all the Democrats throughout the country had lost appeal. In this year's election in Guam they scored a complete victory.

Now, we feel that Guam is an integral part of the United States. Guam is an American community. The people of Guam are citizens and they are completely assimilated with the ideas and traditions, the social and political traditions of the United States. We believe that holding the election in a Presidential election year will be, in other words, in the mainstream of American political life.

Senator BURDICK. You present quite a forceful argument and you say that the national Democratic ticket won in 1964 but the opposition ticket, at least for the legislative ticket which was represented by the other party, won in Guam?

Mr. WON PAT. Yes, sir.

Senator BURDICK. And your argument is—see if I am correct—that they still maintain high on their list the local issues.

Mr. WON PAT. That is right, sir.

Senator BURDICK. Despite the fact that the presidential election is in 1968?

Mr. WON PAT. We have seen this happen. Whether it is a presidential election year or not the election is largely governed by local issues and, of course, by the personalities of the candidates. But all things, of course, have to be taken into consideration because no one single factor is responsible for any election.

Senator BURDICK. Aside from this date of election, we find ourselves very much in agreement on the rest of the provisions of the bill, do we not?

Mr. WON PAT. I beg pardon?

Senator BURDICK. I say but for this question of the date of holding the election, we find ourselves in agreement—when I say we, the Department, the people of Guam and their representatives—on the rest of the bill. Is that correct?

Mr. WON PAT. Yes, sir. The Comptroller, of course—

Senator BURDICK. The Department agrees with you on that one, too.

Mr. WON PAT. Yes, sir.

Senator BURDICK. It is up to the committee to consider it, of course.

Senator Hansen?

Senator HANSEN. What is the population of Guam?

Mr. WON PAT. The population of Guam I cannot give you definitely because of the impact of the current world situation, but, of course, I am not at liberty to disclose that. Some sources say it is over a hundred thousand today. However, the civilian population is roughly 50,000 and the rest are comprised of the military and their dependents and also the Civil Service people attached to the activity out there.

Senator HANSEN. What is your feeling about the requirements that your legislature would have insofar as length of session is concerned? Do you think it would be well to limit the session to 60 days or is more time required?

Mr. WON PAT. We have had experience with that since 1950 and, having served as speaker of the legislature for 12 years, we have been able, of course, to do a creditable job within the time limitation. But I feel that we should give that discretion to the local legislature and also to the Governor of Guam. There are times when there are a lot of issues, a lot of problems that require more than just 60 days. And I feel that, inasmuch as the legislators are now paid on an annual basis with respect to Guam—they are getting \$6,000 per annum—that they are capable of making this judgment. Before they received \$15 per diem for the duration of the session. And, of course, when they were there, special sessions were also limited to 14 or 15 days.

Now, I believe that it is up to the legislature to be given the authority to provide for the number of days they shall be in session, depending, of course, upon the issues and, of course, the workload of the legislature and what the Governor believes to be the needs of the territory.

Senator HANSEN. I am not sure I understood you. Did you say your legislature meets annually?

Mr. WON PAT. Yes. They meet annually twice, in two 30-day sessions. First, from January to February for 30 days and then they recess and reconvene in June-July.

Senator HANSEN. The idea there being that the representatives get a chance to go back to their constituents and to discuss with them the various proposals that may have been submitted? Is that the idea?

Mr. WON PAT. No. Not exactly. The idea is to give opportunity in the interim for these people to study the legislation and, of course, to meet with their constituents and hold hearings also. Then they will be better equipped with all the information necessary in order to be able to pass better judgment on any issues or any bill.

Senator HANSEN. As I understand you, the situation now is that the legislature convenes each year. It convenes for 30 days.

Mr. WON PAT. 60 days, sir. But they are divided into two portions.

Senator HANSEN. I was going to say that it convenes for 30 days and then recesses and reconvenes in June, you say?

Mr. WON PAT. Yes, sir.

Senator HANSEN. And you feel that that may not be a session sufficiently long to consider all of the problems that may confront the people?

Mr. WON PAT. I feel that that is the case.

Senator HANSEN. You think that this present 60-day limitation should be struck out?

Mr. WON PAT. Yes, sir. And I believe that the Governor of Guam will concur because sometimes he has to call for special sessions.

Senator HANSEN. I am interested in what you are saying because I happen to come from a State—it is a small State but we do have more people in Wyoming than you have in Guam—that meets only every other year and our sessions are limited to 40 days.

Mr. WON PAT. Well, I know that in most of the States they have limited sessions, but I do not think the Guam Legislature would necessarily have to meet throughout the year. I think the sessions should last as long as the workload requires it. And if you set a limitation of 60 days or 30 days, then they will want to finish everything within that period. I know, in my own experience, during the last few days of the session everything is rushed and sometimes many bills are passed without being given enough debate or deliberation.

Senator HANSEN. Would you review once more for me—did you say the members of the legislature are paid an annual salary?

Mr. WON PAT. Yes, sir.

Senator HANSEN. And they get per diem for the actual days they serve?

Mr. WON PAT. No. With the passage of the Organic Act, 1950, the law provided that the members of the legislature should be paid \$15 per day for each day they were in session.

That has been amended and now the legislators are paid \$6,000 per annum, \$500 a month. And these payments are spread out throughout the 12 months.

Senator HANSEN. So, it makes no difference to the individual legislator, insofar as his remuneration is concerned, whether he meets 60 days or 12 full months?

Mr. WON PAT. No, sir. But I doubt whether they would need to meet—

Senator BURDICK. Good.

Senator HANSEN. I did not mean to imply they would. You have answered my question. Thank you, Mr. Chairman.

Senator BURDICK. Of course, you know, Mr. Won Pat, as has been brought out by Senator Hansen, I think practically all the State legislatures have sessions with a limit. The reason for that is that they bring things to an end. And there would be a tendency to drag matters out if they did not have a limit.

Mr. WON PAT. No. I do not think that would be the case. I believe, if you looked over the record of the various State legislatures, many of these limitations are being amended now. More states want to increase the time. Some state legislatures that have been meeting once every two years are now meeting annually.

I believe that that should be governed, as I said, by the workload.

Mr. ARRIOLA. Might I intervene here, Senator? In the State, of course, you have the State government and county government and city government. In Guam, even though the population is small, the Guam legislature is the only law-making body for the entire Island, for the entire Territory.

Senator BURDICK. I am just referring to human nature. When you have a deadline you meet it. If you do not have a deadline you might not.

Mr. BAMBA. Mr. Chairman, I think the electorate in Guam would not permit us to have this condition. I am sure on the next election they would eliminate those who tried to drag.

Senator BURDICK. The Senator from South Dakota, Senator McGovern.

Senator MCGOVERN. I have no questions, Mr. Chairman.

Senator BURDICK. Thank you, gentlemen.

Mr. WON PAT. Thank you, sir.

Senator BURDICK. The Honorable Ralph Paiewonsky, Governor of the Virgin Islands, is next. It is a pleasure to welcome you, Governor.

STATEMENT OF HON. RALPH M. PAIEWONSKY, GOVERNOR OF THE VIRGIN ISLANDS

Governor PAIEWONSKY. Thank you very much, Mr. Chairman. I am delighted also to see my good friend, my former colleague at the Governors' Conference, Governor Hansen, now sitting here as a Senator on this Committee.

Mr. Chairman, members of the committee, I have a prepared statement here. It is very short and if there is no objection I would like to read it for the record.

Senator BURDICK. You may proceed.

Governor PAIEWONSKY. Mr. Chairman, members of the committee, I am much encouraged by the prompt action of the chairman, and the urgency thus implied, in setting down for hearing the elective governor bill this early in the first session of the 90th Congress. It augurs well for your intent. It augurs well for speedy enactment.

Virgin Islanders consider this measure to be their prime legislative need and ask the authorization of this Congress allowing them to exercise the sacred right of ballot in the choice of their own chief executive.

There is much in the records of the 88th and 89th Congresses to support this request. These records contain the supporting and persuasive reasons of an electorate that has demonstrated its maturity and its deserving right to exercise a fuller citizenship.

I am convinced that the people of the Virgin Islands made their case to the full satisfaction of the previous Congress. Today we stand equally prepared to offer you continuing proof of our ability to perform as full-fledged American citizens.

Proud of our identity and association with the United States and fully cognizant of our social and political responsibilities under our American system of democratic government, we remain steadfast in our desire to exercise more completely the rights inherent under the American way of life.

For the purpose of the record of this 90th Congress, I ask your permission to reiterate that more than once, and by the most democratic processes available, the Virgin Islands electorate has petitioned for legislation that would allow the people of these islands to elect their own Governor.

Our Constitutional Convention gave it prime ranking in a formal request to the Congress. Our legislators have repeatedly expressed the wishes of their constituency to the same end. I have expressed on several occasions, and I now reaffirm, the urgent desire of the Executive that you grant our people access to the sacred right of the ballot to exercise their choice of a Governor.

To grant them this right would be a capstone of recognition—an ultimate and unquestionable acknowledgement of the right of every Virgin Islander to have a direct voice in the choice of his leaders.

The question should no longer exist, is the Virgin Islander ready to assume such responsibilities? The record of our accomplishments over the past 10 years in the fields of education, health, housing, welfare, economic development, and in the general quality of public services more than proves that the Virgin Islander has earned this right. In citing these advancements, we deeply acknowledge and fully appreciate all of the assistance and guidance that through these years has been extended by the Congress to aid us in our pursuit for social and economic betterment.

Yes, gentlemen, as we again today urge the prompt enactment of the elective governor bill for the Virgin Islands, we do so with the collective attention of our people directed on the halls of this eminent lawmaking body. The world looks to you gentlemen for the many guidelines to universal progress. The Virgin Islands looks to you for the mechanics that will allow our people fuller recognition of their American citizenship—a citizenship cherished, guarded, protected and dearly loved by Virgin Islanders. Our march toward greater self-government, which we have begun so determinedly in the Islands, will have made still greater strides with Congress' recognition of the Virgin Islander's proven ability and maturity in your enactment of an elected governor bill for the territory.

Finally, I would remind you that in this year 1967 we are celebrating in the Virgin Islands 50 meaningful, progressive and fruitful years under the American flag. How appropriate—how significantly appropriate to this semicentennial occasion would be your vote of confidence in a people who so proudly and competently exercise their rights of American citizenship. Today, the Virgin Islander aspires more than ever to exercise that greatest of democratic privileges—casting his ballot for the person he wishes to be Governor of our islands.

I thank you.

Senator BURDICK. Thank you, Governor. Have you gone over S. 450, the bill we are considering today?

Governor PAIEWONSKY. Yes, I have. And there is just one point, I may say, pertaining to the length of session of the legislature that disturbs me. I believe that the session should be more than 60 days from our experience in the Islands. Last year the legislature had to hurriedly pass the budget before the 60 days terminated, and in doing so, it created a great deal of confusion because enough time was not given to this important piece of legislation which provides the monies for the fiscal operation for all of the agencies of government. I had to call the legislators back into session to practically repass the budget, and this year the same thing is happening.

By the time they hold the hearings and call in all the various departments and agencies to testify on the need for the various funds requested, the 60 days' time will have expired. So I have agreed with the members of the legislature not to hurry in completing the budget as they did last year and should they need more time to continue the hearings for 2 or 3 weeks they can take it. I will call the legislature back into special session sometime early in April when they are ready so that they can then go into formal session to enact the budget.

I may say here also for the benefit of Governor Hansen that the local legislature and local government operates on three separate levels. It operates on the Federal level, the State level, and the municipal or city level. There are many major pieces of legislation that are being considered in this legislative session. There is revision of the banking code, a revision of the insurance code, a tax incentive law. There are many pieces of very important legislation that require deliberation, require open hearings to receive testimony from different groups and different organizations for consideration by the various members of the legislature themselves, and also for the direction of the various agencies of the local government. It is not well for us to pass hurriedly or adopt a piece of legislation that is passed by a State and have it applicable to the Virgin Islands because we have seen conditions in the Virgin Islands, as in the territory, differ considerably from the States. What usually applies to a State requires amendment and changes to be applicable to the Virgin Islands.

Therefore, it is necessary for us to consider our bills more carefully. Last year it was necessary for me to call the legislature back eight times into eight special sessions. Therefore, we find that, as we move into a more sophisticated type of developed economy in the Virgin Islands, we require more time to pass the necessary laws.

In addition to this, we have enacted laws where we now operate the power and water authority. We operate the airports. We operate the harbors. We operate a number of special agencies and all of these come directly under the supervision of the legislature and the legislature must sit and pass on the laws governing and setting up these various agencies. They keep an eye on these agencies, which have to report back to them very frequently on all contracts made, and so forth. This is as it should be but this requires a greater amount of time.

Therefore, you cannot compare a State legislature with a local legislature, because a local legislature is doing all of the detail work that is done by a city council or a municipal council and the State legislature combined.

In addition to this, we are now participating in a number of Federal programs. Almost every Federal program requires some type of a matching form, a matching grant or a resolution—participating legislation—and for these we have to call the legislature into special session or call them in for conferences and then hold meetings in committees. Then when they are prepared to act, we call a special session and they get into special session and in a day or two enact the legislation that is necessary.

Therefore, a period of 60 days is too limited a period for the legislature of the Virgin Islands to be in session.

I hope this explains to the Senators, especially Senator Hansen, the reason why a 60-day session is too limited and restricted.

Senator BURDICK. Governor, the bill we are considering today has a provision to permit the legislature itself in the Virgin Islands to decide on the length of the session.

Governor PAIEWONSKY. I am fully in favor of that.

Senator BURDICK. Would that be adequate?

Governor PAIEWONSKY. Yes. Of course, we do not know how the House will act on this bill, but in this session we have agreement already with the legislature that they can terminate their session, and I will call them back several weeks later when they have completed all their hearings.

On the question of the 1970 period to coincide with an off-year election, I would say this: In our affairs in the islands, an election is not as much influenced there by a Presidential election as it is on the mainland. We have seen also that this year was contrary to the trends on the mainland. The Democrats did pick up some additional seats in the 15-man legislature. We elected nine and the other faction six. In the previous legislature of 11, it was five against six. So you can see the trend.

But I would make this suggestion: If there is consideration of giving the right to the people to elect the Governor at an earlier date, then it might be practical that for the first election the term of office be limited to 2 years and after that, from 1970 on, the term be a 4-year term because I do favor the 4-year term rather than the 2-year term. This would accomplish the result of giving the people a right to elect their Governor at an earlier date and in the first election the Governor would serve only for a period of 2 years and, from 1970 on, the election would be on a 4-year basis on an off year. I know this was considerably discussed in the House committee and I am pretty sure there will be some question about this.

Senator BURDICK. In other words, in view of the election results last year, in view of the election results in Guam in 1964, the people seemed to be rather independent people, they are not swayed by national elections too much.

Governor PAIEWONSKY. No. They are swayed more by the local conditions and the local problems and the personalities of persons who are running for office and so forth.

Senator BURDICK. Thank you very much.

Senator McGOVERN?

Senator MCGOVERN. I just want to say, Mr. Chairman, I wholly subscribe to the Governor's statement at the bottom of the first page and top of the second page, that the progress the Islands have made in the last 10 years in the whole field of public services underscores

the fact that they are more than ready for the new authority under this bill. I wholeheartedly endorse it.

Governor PAIEWONSKY. Thank you very much.

Senator BURDICK. Senator Hansen?

Senator HANSEN. I want to say to you, Governor, I am delighted to see you, sir. I have enjoyed knowing you and your lovely wife for the last 4 years. As you know, we have been participating in the Governors conferences.

I am very much interested in your statement. Do you have a unicameral legislature?

Governor PAIEWONSKY. Yes, we do.

Senator HANSEN. And there are presently 15 members?

Governor PAIEWONSKY. It was amended at the last session of the Congress increasing it from 11 to 15. This gave us a few more members to do committee work and it is working out very much better than the previous legislature of 11. But even with the 15 members, with the increased volume of business now developing in the islands and the increased demand upon the legislature, it is very important that we have longer sessions.

Senator HANSEN. How many people are there in the Virgin Islands?

Governor PAIEWONSKY. Well, the census in 1960 recorded a number of 32,000. I think today, with the alien workers now in the islands, we have about 55,000. We have increased from 32,000 to 55,000 now in a period of 6 years.

Senator HANSEN. Did I understand you to say you called the legislature back into special session eight times last year?

Governor PAIEWONSKY. Yes, sir, eight times. And if you would like, I will be glad to send you a copy of all of the bills that were passed last year so that you may see the volume of work and the diversification of legislation, the different important measures that were passed dealing with all types of situations.

Senator HANSEN. I do appreciate the fact that your activities, insofar as the Virgin Islands are concerned, are broader in scope than would be the case in most States. You spoke about a similar situation to that of my good friend, Governor Guerrero, who said he had local responsibilities whereas in an average State there would be city government, county government, and State government.

Governor PAIEWONSKY. And in addition to this, we run many facilities that normally are run in some of the States by private utilities, or by private institutions. But in the islands—and I am speaking specifically for the Virgin Islands—we operate the only hospitals that are on the islands and we give medical services to everyone. One of the things most people do not realize is that while we are catering to a population of, say, 50,000—I am giving you a round figure—we have 600,000 visitors a year who come to the islands to visit. Many of these visitors, who come either by cruise ship or by air, also need medical attention when they are in the islands. Sometimes many persons come for health reasons.

Senator BURDICK. Governor, that is not bad, is it?

Governor PAIEWONSKY. Oh, we are delighted with this. I am just saying some people criticize us for the number of people we have on the payrolls in the hospitals and other agencies, but rather than dealing with a population of 50,000 we are dealing with a population equivalent of maybe 75,000 or 80,000 and these are problems you do not have here.

We also operate the airports, as I said before, the harbors, water and power utilities, the hospitals, the schools, the College of the Virgin Islands, and all of the other institutions of government.

Senator HANSEN. How are your legislators paid?

Governor PAIEWONSKY. They are paid a fixed salary now. Last year they were getting \$6,000 a year—similar to Guam—plus an expense account of \$150 a month. They have done away with the fixed expense account of \$150 and they are now paid a flat salary of \$9,000 a year.

Senator HANSEN. So it makes no difference to them insofar as the length of the session is concerned?

Governor PAIEWONSKY. It makes no difference to them whether they work 60 days or a year. They will get no more money. And they are satisfied. They know this. And they are requesting this. They passed a resolution requesting this.

Senator BURDICK. Governor, what you are saying is not only the legislature has legislative functions but also some administrative functions which ordinarily do not fall in part of the duties of the legislatures in the States?

Governor PAIEWONSKY. You have to consider them more of a city council because they perform all of the work of a city council in addition to passing legislation on a state- or territorial-wide basis.

Senator BURDICK. Well, as I say, the provision in the bill before us today leaves it to the legislature as to the length of the term.

Governor PAIEWONSKY. Yes.

Senator BURDICK. That should take care of it.

Governor PAIEWONSKY. Yes. I think this is as I requested it also.

Senator BURDICK. Thank you very much.

Governor PAIEWONSKY. Thank you very much.

Senator BURDICK. I wonder if the two Senators would like to come forward at this time, Mr. Farrelly and Mr. Doward.

Would you care to summarize your statement?

STATEMENT OF HON. ALEXANDER FARRELLY OF THE VIRGIN ISLANDS LEGISLATURE

Mr. FARRELLY. Yes, Mr. Chairman. We propose to do that.

Senator BURDICK. Which one of you gentlemen is first? Senator Farrelly?

Mr. FARRELLY. Thank you, Mr. Chairman.

Senator BURDICK. Your full statement will be made a part of the record.

Mr. FARRELLY. We also respectfully ask that a resolution of the legislature in support of S. 450 be also made a part of the record.

Senator BURDICK. Without objection so received.

(The resolution referred to follows:)

SEVENTH LEGISLATURE OF THE VIRGIN ISLANDS OF THE UNITED STATES—REGULAR SESSION 1967

(To Memorialize the Ninetieth Congress of the United States of America, Urging Prompt Approval of S. 450, Which Amends Certain Provisions of the Revised Organic Act of the Virgin Islands)

Whereas, H.R. 11777, which would have provided for the popular election of the Governor of the Virgin Islands, was passed unanimously during the Second

Session of the Eighty-Ninth Congress of the United States of America by the House of Representatives and, in an amended version, by the Senate; and

Whereas, a similar bill, S. 450, has been introduced in the Senate during the present First Session of the Ninetieth Congress of the United States and is pending committee hearings; and

Whereas, the People of the Virgin Islands appreciate in full the principles that maturity and responsibility are prerequisites to the ability of self-government and that once such maturity and responsibility have been acquired the mature and the responsible have earned the right, concomitant to the ability, to govern themselves; and

Whereas, the People of the Virgin Islands have demonstrated by every indicia of maturity and responsibility—political, governmental, social, and economic—that they have the capacity to direct their own destiny within the context of the federal system and of the relationship of their beloved Islands to the United States; and

Whereas, the People of the Virgin Islands, proud of that relationship and actuated by the obligations of their citizenship, have constructively and rationally urged through their elected representatives, assembled in Constitutional Convention, that they be granted the powers of self-governance, which powers are but incidental to their rights as mature and responsible citizens and as free men; and

Whereas, S. 450, referred to above, is solemnly regarded by the People of the Virgin Islands as reasonable and necessary means towards the rightful and fully justified end of the control of the people, by the people and for the people, over their executive authorities and officials; and

Whereas, the Seventh Legislature of the Virgin Islands, assembled in Regular Session on this 16th Day of February, 1967, is the only representative entity and is thereby the only voice that can effectively and accurately articulate the will of the People of the Virgin Islands: Now, therefore, be it

Resolved by the Legislature of the Virgin Islands, That said Legislature, acting in unanimity, on behalf of its electorate, expresses the resolute desire of the People of the Virgin Islands that the Senate and the House of Representatives of the United States, in Congress assembled, act promptly and favorably on S. 450, and that the Legislature of the Virgin Islands respectfully urges such action by the Senate and the House of Representatives; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States, to the Secretary of the United States Department of the Interior, to the Presiding Officer of the Senate of the United States, the Speaker of the House of Representatives of the United States, to the Chairman of the Committee on Interior and Insular Affairs of the Senate of the United States, to each member of said Committee, to the Chairman of the Committee on Interior and Insular Affairs of the House of Representatives of the United States, and to each member of said Committee.

Thus passed by the Legislature of the Virgin Islands on February 16, 1967.

Witness our Hands and the Seal of the Legislature of the Virgin Islands this 16th Day of February, A.D., 1967.

EARLE B. OTTLEY,
President.

A. DAVID PURITZ,
Legislative Secretary.

Mr. FARRELLY. Mr. Chairman, distinguished members of the Subcommittee, my name is Alexander A. Farrelly, a member of the seventh Legislature of the Virgin Islands, a member of the nine-man majority, and the Senator elected at large in 1966 with the largest plurality of votes throughout the territory.

S. 450 could not have been introduced at a more auspicious moment. Our population today approximates 55,000. Our territorial economy is substantial and, with continuing assistance from the Congress, is buoyant. It has developed into three rather well defined sectors, tourism, small and large industry, livestock and farming. There is full employment at reasonably good wages. Per capita income of \$1,751 in 1965 had approached \$2,000 by 1966. Our public educational system, from kindergarten to the College of the Virgin Islands, is supplemented by good parochial and private school systems.

The quality of the human relationships in the territory is, I believe, without parallel in the United States. Using a scale numbered from zero to 100, our level of literacy stands somewhere between 90 and 100.

In the area of public information and communication, six newspapers, one monthly magazine, three radio stations, and two television stations provide vigorous discussion of public issues and lusty criticism of public officials, as indeed it ought to be.

The universal adult suffrage granted by the Congress since 1936 has been exercised on the whole wisely. Literacy in Spanish has been sufficient for our Spanish-speaking voters since 1954, 10 years before the Congress, in its wisdom, extended this requirement in the Civil Rights Act of 1964.

We have a two-party system if we understand a two-party system to mean a majority group on one hand and an active opposition group on the other. This majority group and its opposition and counterpart are to my mind the essential ingredients contemplated by political scientists and politicians alike when mention is made of a two-party system American style. If we eschew the use of Democratic-Republican labels we can observe very easily the major configurations of a viable two-party system in the Virgin Islands. Any doubt as to the validity of this claim may be resolved by quick reference to the 1966 November election results. Two slates, Democratic and Victory '66, the vigor of the campaign, the huge outpouring of more than 13,000 voters out of an approximate registration of 15,000, and the results reflected in a nine to six setup in the present legislature, testify to this.

The British West Indian Islands all around us were once many light years behind us in home rule. Yet, beginning February 27, next Monday, Antigua will become an associated state more comparable to the Commonwealth of Puerto Rico.

I, therefore, ask respectfully on behalf of the people of the Virgin Islands and the legislature that S. 450 be reported favorably by this Subcommittee with one exception. Page 6, lines 14, 15, and 16 of S. 450, Mr. Chairman and members of the Committee, does give the President of the United States the right to remove the Governor. We believe that when 75 per cent of the electorate have petitioned for his removal, that this would be a detraction from the very grant this Congress might wish to give to allow the President, even against the wishes of our local electorate, to remove the Governor.

Senator BURDICK. That is on the recall provision?

Mr. FARRELLY. That is right, sir.

(The statement referred to follows:)

STATEMENT OF SENATOR ALEXANDER A. FARRELLY, MEMBER OF THE SEVENTH LEGISLATURE OF THE VIRGIN ISLANDS

Mr. Chairman, distinguished members of this committee. I have the honor to appear before you today in support of S. 450. My appearance is under three-fold auspices. I have come as a member of the Seventh Legislature of the Virgin Islands, designated to speak for that body; as one of the nine-member majority of the Legislature; and as a senator elected by Virgin Islands Voters, throughout the territory, in the 1966 November elections. I received the largest plurality of votes cast for senators seeking election at-large—that is to say throughout the entire Territory.

To most of the members of this distinguished sub-committee as well as the full Committee on Interior and Insular Affairs, this Bill covers familiar ground. Following the recommendations of your distinguished Committee, the Senate of the United States only last year enacted a measure providing for an elective

governor. This enactment was a manifestation of the Senate's intention to assist us in the Virgin Islands in continuing the development of our free political institutions. Adopting the path recommended by this Committee, the Senate has extended meaningful grants of more and more self-determination.

S. 450 could not have been introduced at a more auspicious moment. March 31st—a mere six weeks from today—will mark fifty years of tutelage in the operation of the American system of government, a system characterized by three co-ordinate and equal departments which provides a viable political system of checks and balances.

Having received my college and professional training in the United States; having lived and practiced law in the City of New York; having participated in the processes of our republican form of government in the Empire State; having served on the professional staff of the United Nations as an area specialist, Department of Trusteeship and Non-Self-Governing Territories, I then returned to the Virgin Islands. Accepting appointment by the Attorney General of the United States, as Assistant United States Attorney for the Virgin Islands, and serving concurrently in late 1964 as Counsel to the Constitutional Convention's Committee on the Bill of Rights, I was appointed in early 1965 a Municipal Judge. Drafted by the Democratic Party of the Virgin Islands to seek election to the Virgin Islands Legislature, I left the Judiciary and entered into the Legislature, at the same time returning to the private practice of law.

Whether the view is taken from the perspective of professional detachment or from the perspective of personal involvement, I say to the distinguished members of this sub-committee that the Virgin Islands, after fifty years, are ready for the momentous step forward to elect our own chief executive.

I, therefore, ask the Committees' indulgence to state briefly the factors which seem persuasive to this end.

Our population today totals approximately 55,000. Our territorial economy—with substantial and continuing assistance from the Congress—is buoyant. It has developed into three rather well defined sectors: the tourist trade; small and large industry; and live stock, dairying and small farms. Our buoyant economy and resulting increase in public revenues coincide with a growing demand for strengthening and expanding our social services.

There is full employment at reasonably good wages; *per capita* income of \$1761 in 1965 had approached the \$2000 mark by 1966.

Our public educational system, from kindergarten to the College of the Virgin Islands, catering for a growing school population, is supplemented by parochial and private schools which compare favorably with their stateside counterparts.

I believe that the quality of human relationships in the Territory is without parallel in the United States. We are assured that they shall remain thus because of our comprehensive civil rights statute, enacted largely in the nature of "preventive medicine", and because of our judicial and law-enforcement agencies comprising a mixture of federal and territorial officials.

Using a scale numbered from zero to one hundred, our level of literacy stands somewhere between 90 and 100.

In the area of public information and communication, six newspapers, one monthly magazine, three radio and two television stations provide vigorous discussion of public issues and lusty criticism of public officials—as indeed it should be.

Universal adult suffrage, granted by the Congress since 1936 has, on the whole, been wisely exercised. Literacy in Spanish has been sufficient for our Spanish-speaking voters in the Virgin Islands since 1954—ten years before the Congress, in its wisdom, imposed a similar test to voters in the several states.

We have a two-party system, if we understand a two-party system to mean a majority group, on one hand, and an active opposition group on the other. This majority group and its opposition counterpart are, to my mind, the essential ingredients contemplated by political scientists and politicians alike when mention is made of a two-party system, American-style. If we eschew the use of Democratic-Republican labels, we can observe, quite easily, the major configurations of a viable two-party system in the Virgin Islands. Any doubt as to the validity of this claim may be resolved by quick reference to the competing Democratic and Victory '66 slates, the vigor and intensity of the 1966 territorial campaign, the huge outpouring of more than 13,000 voters, and the election results as reflected in the present make-up of the Seventh Legislature.

The British West Indian Islands, all around us, were once many "light-years" behind the Virgin Islands in respect of degrees of self-determination granted to them by the United Kingdom. Yet, with far less factors of readiness at their

command, most of these islands, beginning with Antigua next Monday, February 27th., shall become Associated States—perhaps more comparable to the commonwealth status of our good neighbor, in Puerto Rico. With this regional development at hand, the United States, the world's most classic example of self-determination, can do no less than allow us to have a fully responsive executive.

I, therefore, ask respectfully, on behalf of the People of the Virgin Islands and their Legislature, that S. 450 be reported favorably and that the Resolution of the Seventh Legislature of the Virgin Islands Bill No. 3172 adopted unanimously February 16, 1967 on S. 450 be made a part of the subcommittee's record.

I appreciate having the opportunity to address this distinguished committee.

Senator BURDICK. Senator Doward, now it is your turn to testify.

STATEMENT OF HON. AUGUSTIN DOWARD OF THE VIRGIN ISLANDS LEGISLATURE

Mr. DOWARD. Thank you, Mr. Chairman. My name is Augustin Doward, and I am minority leader in the legislature. I have a prepared statement and will summarize it and request that it be made a part of the record.

Senator BURDICK. Without objection, that will be done.

Mr. DOWARD. Mr. Chairman, I and the people I represent support S. 450 in its entirety with two requests. It is our feeling that instead of 1970 for the first gubernatorial election that this date should be changed to 1969. We feel that, since this is the first time we are going to elect our own Governor, it should take place in the off year. In 1970 we also have an election for the legislature and we feel that the people should have an opportunity for the first time to concentrate on the gubernatorial election and nothing else.

It is our feeling, too, that to have both at the same time might engender needless complications.

Senator BURDICK. Wait a minute. Let me get the sequence. The national elections would be in 1968, the Governor's election in 1969, and the legislative candidates would run in 1970?

Mr. DOWARD. For the first.

Senator BURDICK. An election every year.

Mr. DOWARD. No. This is just for the first gubernatorial election. This would, of course, necessitate a change in the term, that is, the first term for 3 years, all terms thereafter would be four. We feel if we combine both elections it might engender needless complications.

Senator BURDICK. In order to get the sequence established, when would the election of the Governor fall? With the election of the President of the country?

Mr. DOWARD. If this plan were adopted the next election for Governor would be in 1972, which would coincide with the presidential election.

Senator BURDICK. I see.

Mr. DOWARD. We personally have no objections to that, Mr. Chairman.

With respect to the other changes, Mr. Chairman, it is our feeling that instead of a majority, we feel that a simple plurality should suffice in determining who is going to be Governor. Our reason for this is that the Virgin Islands elections at times are very close. It is conceivable that no one individual would get a majority of votes during the election. This would necessitate a run-off which is not only costly for the government but also very costly for the candidates. In this

present day and age campaigning is very, very expensive in the Virgin Islands and we feel we should do whatever is possible to avoid this.

Senator BURDICK. At that point, Senator, let me ask you, you have two parties now but suppose you should have a third party growing up in the Islands. Suppose you have an election and one party receives 34 percent of the vote which is the most votes. Would you say that there should not be a run-off in that case?

Mr. DOWARD. I would say there should not be a run-off because if there is a run-off, unless the two top candidates combine, actually you just have one side switching sides.

Senator BURDICK. But you have a governor elected by barely one-third of the vote.

Mr. DOWARD. Well, this is just a thought, Mr. Chairman. We do not feel too strongly on this point. If it is the feeling of the committee that it should be otherwise, we are willing to acquiesce.

Other than these changes, Mr. Chairman, we support the bill in its entirety. We believe the Virgin Islands people are fully qualified to elect their own governor. We feel that we have lived under the American flag for over 50 years. During this time we have learned well, we have grown fast. Our people have loved the American way of life and have lived the American way of life for a number of years. A lot of our people have lived in the U.S., participated in elections on the local, State, and national level. Some have excelled in government, some have excelled in the field of science, education, the many other fields identified with the American way of life. A number of them have returned home to live, bringing their skills, et cetera, with them. A number have stayed in the United States and are still here.

Our sons and daughters have served in the Armed Forces in time of peace and in time of war. In my opinion and the opinion of the people I represent and in the general feeling, the people of the Virgin Islands have been very good contributing American citizens.

In addition to the native population, so to speak, those who have left the Islands, come to the U.S. and returned, we have a heavy concentration of what we call continental Americans, meaning people who were born in the United States, who have lived there for a number of years and who have moved down to the Virgin Islands, bringing their ideas of American democracy, the American way of life, with them. And they have worked in conjunction with the local people there and together we have more or less forged the Virgin Islands into a very effective American community, very booming economy, very—some people refer to it as a paradise within the West Indies.

We feel that no other territory, no other political factor within the United States have demonstrated the American way of life any better than we have.

With respect to the political parties, I concur with my colleague, Senator Farrelly, in stating that we have what could be considered two vocal, vibrant and effective oppositions. I hesitate to use the term political parties because this is an area of argument. We do have, however, two opposing factions and in my opinion that is really what you need in order to insure the type of government within the republican system. That is, republican form of government. The faction I have represented over a period of years offers the type of

opposition that I think the people can be proud of, the type of opposition that has kept everyone on their toes and the type of opposition that eventually aligned itself toward good government.

It is quite true, of course, that we, that is, the faction I represent, have not been entirely satisfied with certain areas of the operation of our Government but I cannot say that any Senator, any Congressman, is entirely satisfied with the way the U.S. Government operates. So I do not consider this any different from any other part of the United States.

With respect to the Republican Party, I understand that several Senators entertain certain hesitations and reservations with respect to this bill because they do not consider the two factions now as representing two political parties.

Well, as you know, gentlemen, we cannot legislate the Republican Party, so to speak, into a vibrant and effective organization. This has to be done by the will of the electorate. So far the electorate has not seen fit to select a Republican in our local legislature. It is our feeling, however, that with time and when the Republicans present the type of forward-looking and progressive appealing candidate that this will be accomplished.

With those few remarks, Mr. Chairman, I want to thank you for your indulgence and let you know that I, the people I represent, enthusiastically support the speedy enactment of S. 450 to provide for popular election of the governor of the Virgin Islands.

Senator BURDICK. Thank you very much. I thank both of you Senators. I just want to add something for the record myself, something I found outstanding in the Virgin Islands. I believe the literacy rate in the Virgin Islands is the highest among all the countries of the world, among the highest. Is that not correct?

Mr. FARRELLY. Yes, sir.

Senator BURDICK. That is remarkable.

Senator Hansen?

Senator HANSEN. I have no questions. Thank you.

Senator BURDICK. Thank you very much. Your full statement will be printed at this point.

Mr. FARRELLY. Thank you very much, Mr. Chairman.

(The statement referred to follows:)

STATEMENT OF SENATOR AUGUSTIN DOWARD, MINORITY LEADER IN THE VIRGIN ISLANDS LEGISLATURE

Mr. Chairman, distinguished members of this committee: My name is Augustin Doward. I am the minority leader in the Legislature of the Virgin Islands. Today I am very happy to appear before you, first because it is always an honor to give testimony before a committee of the most democratic and greatest deliberative body in the entire world, and second, because I always derive a certain amount of pride and accomplishment when called upon by the people I serve to speak on their behalf and in their interest.

My testimony on this bill will, of course, be very brief, because this bill was already considered by this committee last year and consequently is nothing new to the committee and its members, and because many distinguished persons who are thoroughly familiar with the Virgin Islands and its people have already given testimony in its support.

I, and the people I represent, support S. 450 in its entirety with the exception of the date for the first gubernatorial election and the number of votes required to elect the governor. It is our feeling that instead of 1970, the first gubernatorial election should take place in 1969 and the first term of the governor should be for three years. All terms thereafter would be for four years. Our reason

for this change of date is a simple and sensible one. This being the first time we are going to elect a governor, we believe that it should take place in an off year so that there will be less confusion and the people will have an opportunity to concentrate on the man they want for governor and nothing else. 1970 is a general election year for members of the legislature and to have both elections at the same time might engender needless complications.

The other change we would like to request involves the number of votes required to elect the government. We feel that a simple plurality is a more desirable formula. As close as our elections are at times in the Virgin Islands, to require a candidate to receive a majority of the votes could result too frequently in run-off elections which are not only costly for the government but for the candidates as well.

Other than these minor changes, Mr. Chairman, I heartily and enthusiastically endorse the enactment of S. 450, for in my opinion and in the opinion of the people I represent, S. 450 is the most important piece of political legislation reaching the Virgin Islands since the enactment of the first Organic Act in 1936, which among other things, extended universal suffrage to the people of the Virgin Islands. It is important because it would mark the fulfillment of the most important political accomplishment the Virgin Islands could ever hope to achieve, in view of its size, population and non-contiguous geographic status in relation to the United States.

In seeking the passage of S. 450, the people of the Virgin Islands are not asking for any special privileges or favors. We are asking for something which is naturally ours and for which we are fully qualified. The right to elect our governor is naturally ours because it is an accepted and recognized principle of American democracy that people living within certain distinct and recognized geographic boundaries are entitled not only to the right to govern themselves and run their own affairs, but to determine their own destiny. As far as the destiny of the Virgin Islands is concerned, our people have—through a constitutional convention—unequivocally and categorically stated that they want to remain American citizens and would like to continue as a part of the United States, enjoying the fullest measure of autonomy which is partially realized by the right to elect their own governor.

The people of the Virgin Islands are qualified to elect their own governor because during 50 years under the American flag they have learned fast and they have learned well. Thousands of our citizens have lived for years in the United States, learning the American way of life and living the American way of life. They have lived in the South, in the North, in the East and in the West. They have participated in municipal, state and national elections. Some have excelled in the fields of science, education and government. Our sons have served in the United States Navy, Army, Marine and Coast Guard in time of peace and in time of war.

Over the years our students have attended schools, colleges and universities throughout the United States. Some have stayed in the States, others have returned home bringing their skills and training with them. So far as the Virgin Islands itself is concerned, through hard work, trials and failures and an extremely generous Congress, our islands have prospered and our economy developed to the point where we boast of one of the highest per capita incomes in the entire Caribbean.

In addition to the thousands of native Virgin Islanders who went abroad to live, study and work in the United States and who eventually returned home, the Virgin Islands boast of a large number of American citizens who were born in the continental United States, lived most of their lives there and who moved to the Virgin Islands, bringing with them their individual skills, training and knowledge, which they have used extensively and in conjunction with the local natives in building the Virgin Islands into one of the most thriving, booming islands in the entire West Indies. These people also participate extensively in community affairs and in politics.

Now, so far as politics in the Virgin Islands is concerned, our people take their politics very, very seriously. They campaign extensively and intensively. If they are among your supporters, you can do no wrong. If they are not among your supporters, everything you do is wrong. I am not sure that this is any different on any level of politics in the United States. It makes good political sense that if your supporters intend to capture the imagination, confidence and vote of the voter on your behalf, he would naturally enunciate and enumerate your qualities and virtues and try to convince the voter he should elect you, at the same time outlining dangers involved in electing your opponent.

I have been in politics in the Virgin Islands for approximately five years. I have participated in three elections. In these three elections there have been

numerous irregularities. But from my observation (and here I am reflecting my own personal views and observations) these irregularities have been largely errors of an administrative, procedural and clerical nature. In saying this, it is not my intention to disaffirm the charges made by several persons with respect to the fairness of the last elections. It is more than likely that these people have satisfactory evidence to substantiate their claims. It is also not my intention to have my statements interpreted as an approval of the present system of election. I personally do not like the idea of the Board of Elections and the Supervisor of Elections being directly under the control of the legislature. The right to set up the machinery for election and select its personnel, however, is a legislative function and a legislative responsibility.

Mr. Chairman and members of this committee: I would like to make another point on the matter of political parties in the Virgin Islands. It has been brought to my attention and the attention of many people back in the Virgin Islands that several senators and congressmen have reservations concerning an elected governor for the Virgin Islands because as yet we do not have what is considered a two-party system. This I do not think is fair nor right. The important thing in any governmental structure, in my opinion, is that there be opposition—opposition not simply for the sake of opposing, but opposition to give the people an alternative when they feel that their interest and welfare are not adequately served by one side. Opposition which will insure that the individual's interest and the party's interest do not take priority over the people's. Opposition which will insure the fullest and longest measure of debate on any topic and make sure that the public is fully aware of what is happening. We feel that in the Virgin Islands we have that type of opposition. It is true that we are all registered in the Democratic Party of the Virgin Islands, but, Mr. Chairman and members, for all practical purposes we are two different and distinct political bodies. We of course—that is, the faction I represent—would like to see a Republican in our legislature. As a matter of fact, in an attempt to accomplish this, we formed a coalition with the Republican Party in the last election. Unfortunately, none of them was elected. Mr. Chairman, we cannot legislate the Republican Party into a forceful, vibrant and strong organization. Nor can we legislate a Republican into the legislature. This has to be done by the will of the people. I am convinced that with time, and with forward-looking and appealing candidates, the Republicans will eventually gain representation in our legislature.

In closing, Mr. Chairman, I would like to say that the enactment of S. 450 is important to the people of the Virgin Islands, but in my opinion, much more important to the image and national prestige of the United States. For a number of years now many countries have been leveling charges of colonialism against the United States. While it is very likely that they will continue to make these charges even with the enactment of S. 450, I believe its passage would convincingly knock the substance out of these charges and prove to the world that the United States still adheres tenaciously to the principle of self-determination and self-rule through the democratic process which is best served by the free will of the people at the polls. With these few remarks I end my testimony on S. 450 and respectfully request that this committee give speedy and favorable consideration to the bill. On behalf of the people of the Virgin Islands, I would like to thank you for inviting me here today and trust that my remarks might help in some small way in assisting the committee in its work.

Senator BURDICK. Is Mrs. Clarice Bryan here?

STATEMENT OF MRS. CLARICE BRYAN, VIRGIN ISLANDS, REPRESENTING COMMISSION ON THE STATUS OF WOMEN

Mrs. BRYAN. Good morning.

Senator BURDICK. I understand you represent the women.

Mrs. BRYAN. Before I begin my formal statement I was advised that I should invite the committee to come down and see us and on the way over here, as I looked around, I think that it might be nice if you came soon.

Senator BURDICK. I was in your delightful area in 1959. I hope to get back again.

Mrs. BRYAN. We would like to have you, Senator.

I will just read my statement as it is.

Mr. Chairman, members of the committee, my name is Clarice Bryan. I am the vice chairman of the Virgin Islands Commission on the Status of Women.

During the Virgin Islands Constitutional Convention I served as chairman of the Committee on Executive Powers. The report and recommendations of this Convention, I am sure you are familiar with.

A prime recommendation submitted to you, the Members of Congress, to the President and to the Secretary of the Interior, was that the Virgin Islands electorate be given access to the ballot that it may elect the man—or woman—of their choice for Governor of our territory.

Statements supporting this request have been read at various committee hearings through two congresses. I, today, join the voices that are resubmitting our stand and views on this matter before you of the 90th Congress.

Women of the Virgin Islands are now voting on an equal basis with the men of this territory. Women in the Virgin Islands own and manage their own property. They are occupying positions of responsibility in the insular government. They have occupied seats in the Legislature of the Virgin Islands. In short, gentleman, women can and are sharing the same responsibilities as men in the Virgin Islands and rightfully raise their voice in support of the measures that would mean greater self-government, greater autonomy, and greater participation in the American way of life.

Today, as we view the Caribbean area, we see such places as Guyana, Barbados, Jamaica, Puerto Rico, and Trinidad enjoying the right to select their own leader. Will it be said that the United States Virgin Islands is at the bottom of the Caribbean ladder with respect to self-government? Lest I be misunderstood—we seek no independence, but rather we are asking for the due recognition extended to all other American citizens.

We assure you that, should you amend the Virgin Islands Organic Act to permit the people of this territory to elect their own governor and lieutenant governor, the right so given will not be abused. It will be exercised with discretion. It will be exercised with wisdom.

The Virgin Islands, gentlemen, are beautiful places. Every year more and more American citizens choose to make their homes in our island communities. They leave their home States on the mainland—States where they enjoy the right to elect their leaders—and come to St. Thomas, St. Croix, or St. John where this voice is cut from them by virtue of the fact that we are not now allowed this privilege. They should not be disenfranchised for choosing these islands as their new home.

We welcome our new residents who join with all Virgin Islanders in a repeated plea to you, the Congress of the United States, requesting access to the ballot box that we may elect the Governor for these, our beautiful Virgin Islands.

Thank you.

Senator BURDICK. Thank you very much.

Senator HANSEN, do you have any questions to ask the lady?

Senator HANSEN. No, I do not. I must say that, having appointed a Commission on the Status of Women in Wyoming, I commend you for your excellent presentation.

Mrs. BRYAN. Thank you, sir. Do not forget to come down.

Senator BURDICK. Is Lawrence Speiser of the American Civil Liberties Union here? His prepared statement will be inserted in the record at this point.

(The statement referred to follows:)

STATEMENT OF LAWRENCE SPEISER, DIRECTOR, WASHINGTON OFFICE, AMERICAN CIVIL LIBERTIES UNION

Mr. Chairman, the American Civil Liberties Union wholeheartedly endorses and urges the approval of S. 449 and S. 450. Indeed, I must say with candor that we feel this is a measure long past due. I don't feel that it is necessary for me to offer to this committee a detailed analysis of the merits of these bills, for it would be retrogressive, it seems to me, to argue the case for self-determination and representative government.

The case for extending self-determination and representative government in these two widely separated American trust territories has been made with skill and eloquence before past Congresses considering this very question of an elected governor, as well as the related question of a non-voting representative to Congress from both these islands. Few Americans would take issue with the statement of President Kennedy on April 6, 1962, when he enunciated American policy with regard to the issues under consideration here today:

"This nation," he said, "is committed to the principle of self-determination and will continue to support and encourage responsible self-rule throughout the world and particularly in those territories under the jurisdiction of the United States."

It remains for the Congress to make good that commitment.

Of course there are other questions involved besides the basic one of whether we are willing to back up, by our example, our proudly announced dedication to the principles of representative government. It is necessary to inquire whether the American citizens of Guam and the Virgin Islands indeed want this greater self-determination and whether, wanting it, they are ready to assume the greater responsibilities concomitant with greater self rule. The overwhelming preponderance of all evidence indicates an affirmative answer to both these questions and, of course, extending self rule is precisely the kind of thing that is necessary to develop an even greater sense of responsibility and capability in its recipients.

The people of both these islands have expressed themselves in recent years on their desire for greater participation in their government. In 1962, the Guam legislature passed a resolution petitioning Congress for a locally elected chief executive. The former speaker of the Guam legislature, the Honorable A. B. Won Pat, has been in Washington frequently in the past seven years, working vigorously for this and other measures that would provide increased self-government for the people of Guam.

The people of the Virgin Islands, acting on their own initiative, convened a constitutional convention in 1965. That convention called for, among other reforms, an elected governor for their island.

Are the people prepared for this advancement? As far back as 1962, President Kennedy, in calling for legislation granting the Virgin Islands the "basic right to elect their Governor," said:

"It is clear that the American Virgin Islands is capable of exercising enlarged dominion over its own affairs without further delay. This community of more than 30,000 American citizens has demonstrated a maturity and capacity for stable responsible government. Almost exclusively by local effort, it has capitalized on its magnificent natural features to build a promising economy. Dedicated leadership has instilled in all walks of life a responsive loyalty to our values and traditions. The demonstrated abilities, needs and desires of the people all point towards greater control over their local affairs."

On October 11, 1966 the Senate Interior and Insular Affairs Committee, reporting out a bill which would provide an elected Governor for Guam, said:

"The present bill is thus the latest in a long series of measures designed to grant the Guamanian people an ever increasing share of the Government of their island. A number of factors make it clear that the time is right for this additional step. The people of Guam have now had 16 years of experience in electing their own legislature and have demonstrated their capacity for doing so in a responsible manner."

There is one other aspect of the total picture which we should concern ourselves with. I refer to world opinion and the impact on it of extending self rule

to the peoples of these two islands. It has been in the American tradition to show a decent respect for the opinion of mankind and indeed Guam, for instance, has often been heralded as a showcase of American democracy in the Western Pacific. There is no question in my opinion that the impact on world opinion of the passage of these two bills would be a very healthy one.

Enthusiastic as is our support for these bills, we take this opportunity to offer two suggestions which we think would improve them.

Both bills provide for removal of the Governor by a vote of 75 per cent of the registered voters in a referendum election *if* this vote for removal is then approved by the President of the United States. Thus we dilute our bestowal and our trust and our goodwill by attaching this condition of presidential approval upon their right of removal, a condition we do not impose upon any of the states. It is unnecessary and begrudging in appearance. We urge this Presidential veto be withdrawn.

Our second suggestion is to hold the first election in 1968 rather than 1970.

Why, we ask rhetorically, wait the additional two years? The enthusiasm certain to be aroused by these measures could be channeled into productive activity at once.

Mr. Chairman, the American Civil Liberties Union is here today because the question before you is, above all else, a civil liberties question. Mr. Roger Baldwin, a distinguished American, now serves as the International Work Adviser to the ACLU. He has personally worked with the citizens of Guam and the Virgin Islands over the past years in behalf of this and other reforms that would enhance the opportunities of the respective peoples for increased self rule and self-determination.

Mr. Chairman, we urge the passage of these bills. They are needed. The people of Guam and the Virgin Islands have earned and are entitled to what S. 449 and S. 450 provide and, above all, we urge their passage because it is simply right that this be done.

Senator BURDICK. I have a telegram and a letter confirming the contents of that telegram from Omar Brown, chairman of the Republican Territorial Committee of the Virgin Islands, for inclusion in the hearing record at this point.

(The data referred to follow:)

ST. THOMAS, V.I., February 18, 1967.

Senator HENRY M. JACKSON,
Chairman, Interior and Insular Affairs Committee,
Senate Office Building, Washington, D.C.:

Following is a resolution passed by the Republican territorial committee on February 12, 1967: Resolved that the territorial committee of the Republican Party of the Virgin Islands endorses the election in 1970 of the Governor of the Virgin Islands. The committee believes that an earlier election will make impossible the achievement of a genuine two-party system in the Virgin Islands. Respectfully urge your support for 1970 election.

OMAR BROWN, Chairman.

CHARLOTTE AMALIE,
St. Thomas, Virgin Islands, February 18, 1967.

Senator HENRY M. JACKSON,
Chairman, Senate Interior and Insular Affairs Committee,
Senate Office Building,
Washington, D.C.

DEAR SENATOR JACKSON: Confirming my cable of today's date I am pleased to advise you that at its meeting on February 12, 1967, the Republican Territorial Committee of the Virgin Islands passed the following resolution:

"RESOLVED: That the Territorial Committee of the Republican Party of the Virgin Islands endorses the election in 1970 of the Governor of the Virgin Islands. The Committee believes that an earlier election will make impossible the achievement of a genuine two-party political system in the Virgin Islands."

As Chairman of the Territorial Committee I sincerely solicit your support for the holding of the election of Governor of the Virgin Islands in 1970 for the reason set out in the above quoted resolution. The holding of an earlier election would effectively perpetuate the one-party system as it now exists in the Virgin Islands.

We are presently engaged in the rebuilding of the Republican organization in the Virgin Islands and we believe that by 1970 we can offer a logical alternative program to Virgin Islands voters.

Thanking you for your assistance and understanding, I am,

Very truly yours,

OMAR BROWN,

Chairman, Republican Territorial Committee of the Virgin Islands.

Senator BURDICK. Is there anyone else here who would like to testify for or against this legislation? If not, the hearing will be closed and the record will remain open until Friday morning.

(Whereupon, at 11:40 o'clock a.m., the hearing was concluded.)

We are presently engaged in the revision of the legislation in the Virgin Islands and we believe that by 1970 we can put the electoral system on a new basis. I am sure that you will be very interested in this.

Thank you very much.

Yours faithfully,
Gordon Brown

Enclosed for the Hon. Mr. Brown are two copies of the report of the Commission on the Electoral System. I am sure that you will find it of interest. The report is a long one but it is a very thorough one. I am sure that you will find it of interest. The report is a long one but it is a very thorough one. I am sure that you will find it of interest.

GUAM-VIRGIN ISLANDS ELECTIVE GOVERNORS

WEDNESDAY, APRIL 26, 1967

U.S. SENATE,
COMMITTEE ON INTERIOR AND INSULAR AFFAIRS,
Washington, D.C.

The committee met, pursuant to call, at 10 a.m. in room 3110 New Senate Office Building, Senator Quentin N. Burdick presiding.

Present: Senators Quentin N. Burdick (North Dakota), Frank Church (Idaho), Gordon Allott (Colorado), and Mark O. Hatfield (Oregon).

Also present: Jerry T. Verkler, staff director; Stewart French, chief counsel, James H. Gamble, professional staff member; and E. Lewis Reid, minority counsel.

Senator BURDICK. The purpose of the committee meeting today is to take further testimony from representatives of the executive department on S. 449 and S. 450, the Guam and Virgin Islands, elective Governor bills.

Hearings were held on these two bills on February 20, 1967. Subsequently on March 3, the Bureau of the Budget submitted its report which supported the legislation but expressed concern about the lack of Presidential powers to remove the Governor and to veto acts of the territorial legislature.

As chairman of the Subcommittee on Territories, I met informally with representatives of the Bureau of the Budget to discuss their recommendations, and at my request those recommendations were set forth in a letter to Senator Jackson under date of March 18.

A copy of this letter is before each member of the committee, and without objection it will be made a part of the hearing record.

At my direction the committee staff has incorporated the Budget Bureau's recommendations into Committee Print No. 2, and I understand the witnesses are prepared to direct their testimony to this print.

We have received also a supplemental communication from the Department of Interior, under date of March 17, setting forth the Department's position on the subject of a Federal Comptroller for Guam and the Virgin Islands. This material is also before committee members and the specific language recommended by the Department is included in Committee Print No. 2. Assistant Secretary Harry Anderson is here and will testify on that issue.

(The documents referred to follow.)

[COMMITTEE PRINT No. 2]

[Suggested amendments of the Department of the Interior and the Bureau of the Budget to the bill S. 449]

A BILL To provide for the popular election of the Governor of Guam, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 6 of the Organic Act of Guam (64 Stat. 384, 386; 48 U.S.C. 1422), is amended to read as follows:

"Sec. 6. The executive power of Guam shall be vested in an executive officer whose official title shall be the 'Governor of Guam'. The Governor of Guam, together with the Lieutenant Governor shall be elected by a majority of the votes cast by the people who are qualified to vote for the members of the Legislature of Guam. The Governor and Lieutenant Governor shall be chosen jointly, by the casting by each voter of a single vote applicable to both offices. If no candidates receive a majority of the votes cast in any election, on the fourteenth day thereafter a runoff election shall be held between the candidates for Governor and Lieutenant Governor receiving the highest and second highest number of votes cast. The first election for Governor and Lieutenant Governor shall be held on November 3, 1979. Thereafter, beginning with the year 1974, the Governor and Lieutenant Governor shall be elected every four years at the general election. The Governor and Lieutenant Governor shall hold office for a term of four years and until their successors are elected and qualified.

"No person who has been elected Governor for two full successive terms shall be again eligible to hold that office until one full term has intervened. The term of the elected Governor and Lieutenant Governor shall commence on the first Monday of January following the date of election.

"No person shall be eligible for election to the office of Governor or Lieutenant Governor unless he is able to read and write the English language, is and has been for five consecutive years immediately preceding the election a citizen of the United States and a bona fide resident of Guam and will be, at the time of taking office, at least thirty years of age. The Governor shall maintain his official residence in Guam during his incumbency.

"The Governor shall have general supervision and control of all the departments, bureaus, agencies, and other instrumentalities of the executive branch of the government of Guam. He may grant pardons and reprieves and remit fines and forfeitures for offenses against local laws. He may veto any legislation as provided in this Act. He shall appoint, and may remove, all officers and employees of the executive branch of the government of Guam, except as otherwise provided in this or any other Act of Congress, or under the laws of Guam, and shall commission all officers that he may be authorized to appoint. He shall be responsible for the faithful execution of the laws of Guam and the laws of the United States applicable in Guam. Whenever it becomes necessary, in case of disaster, invasion, insurrection, or rebellion, or imminent danger thereof, or to prevent or suppress lawless violence, he may summon the posse comitatus or call out the militia or request assistance of the senior military or naval commander of the Armed Forces of the United States in Guam, which may be given at the discretion of such military commander if not disruptive of, or inconsistent with, his Federal responsibilities. He may, in case of rebellion or invasion, or imminent danger thereof when the public safety requires it, proclaim the island, insofar as it is under the jurisdiction of the government of Guam, to be under martial law. The members of the legislature shall meet forthwith on their own initiative and may, by a two-thirds vote, revoke such proclamation.

"The Governor shall make to the Secretary of the Interior under section 3 of this Act an annual report of the transactions of the government of Guam for transmission to the Congress and such other reports at such other times as may be required by the Congress or under applicable Federal law. He shall have the power to issue executive orders and regulations not in conflict with any applicable law. He may recommend bills to the legislature and give expression to his views on any matter before that body.

"There is hereby established the office of Lieutenant Governor of Guam. The Lieutenant Governor shall have such executive powers and perform such duties as may be assigned to him by the Governor or prescribed by this Act or under the laws of Guam."

SEC. 2. Section 7 of the Organic Act of Guam (64 Stat. 384, 387; 48 U.S.C. 1422a) is deleted and replaced by the following new provision, also designated section 7:

"Sec. 7. Any Governor of Guam may be removed from office (a) by the people registered to vote in Guam if a majority of two-thirds of the persons registered to vote shall vote in favor of recall at a referendum election, or (b) by the President if such action is deemed by him to be necessary to protect the security, foreign relations, or property interests of the United States. A referendum election, for purposes of this section, may be initiated by the legislature of Guam following a two-thirds vote of the members of such legislature in favor of a referendum, or by a petition to the legislature of 25 per centum of the people registered to vote in Guam."

SEC. 3. Section 8 of the Organic Act of Guam (64 Stat. 384, 387; 48 U.S.C. 1422b), as amended, is amended to read as follows:

"SEC. 8. (a) In case of the temporary disability or temporary absence of the Governor, the Lieutenant Governor shall have the powers of the Governor.

"(b) In case of a permanent vacancy in the office of Governor, arising by reason of the death, resignation, removal by recall, removal by the President or permanent disability of the Governor, or the death, resignation, or permanent disability of a Governor-elect, or for any other reason, the Lieutenant Governor or Lieutenant Governor-elect shall become the Governor, to hold office for the unexpired term and until his successor shall have been duly elected and qualified at the next regular election for Governor.

"(c) In case of the temporary disability or temporary absence of the Lieutenant Governor, or during any period when the Lieutenant Governor is acting as Governor, the speaker of the Guam Legislature shall act as Lieutenant Governor.

"(d) In case of a permanent vacancy in the Office of Lieutenant Governor, arising by reason of the death, resignation, or permanent disability of the Lieutenant Governor, or because the Lieutenant Governor or Lieutenant Governor-elect has succeeded to the office of Governor, the Governor shall appoint a new Lieutenant Governor, with the advice and consent of the legislature, to hold office for the unexpired term and until his successor shall have been duly elected and qualified at the next regular election for Lieutenant Governor.

"(e) In case of the temporary disability or temporary absence of both the Governor and the Lieutenant Governor, the powers of the Governor shall be exercised, as Acting Governor, by such person as the laws of Guam may prescribe. In case of a permanent vacancy in the offices of both the Governor and Lieutenant Governor, the office of Governor shall be filled for the unexpired term in the manner prescribed by the laws of Guam.

"(f) No additional compensation shall be paid to any person acting as Governor or Lieutenant Governor who does not also assume the office of Governor or Lieutenant Governor under the provisions of this Act."

SEC. 4. (a) Effective on the date of enactment of this Act, the second and third sentences of subsection (a) of section 9 of the Organic Act of Guam (64 Stat. 384, 387; 48 U.S.C. 1422c(a)) are deleted.

(b) The first sentence of subsection (b) of section 9 of the Organic Act of Guam (64 Stat. 384, 387; 48 U.S.C. 1422c(b)) is deleted.

Sec. 5. Effective on the date of enactment of this Act, section 9 of the Organic Act of Guam (64 Stat. 384, 387; 48 U.S.C. 1422c) is amended by adding immediately after the end of section 9 the following new section 9-A:

"Sec. 9-A. (a) The Secretary of the Interior shall appoint in the Department of the Interior a government comptroller for Guam who shall be under the general supervision of the Secretary of the Interior, shall not be a part of any executive department in the Government of Guam, and whose salary and expenses of office shall be paid by the United States from funds otherwise to be covered into the treasury of Guam pursuant to section 30 of this Act."

"(b) The government comptroller shall audit and settle all accounts and claims pertaining to the revenues and receipts from whatever source of the government of Guam and of funds derived from bond issues; and he shall audit and settle, in accordance with law and administrative regulations, all expenditures of funds and property pertaining to the government of Guam including those pertaining to trust funds held by the government of Guam.

"(c) It shall be the duty of the government comptroller to bring to the attention of the Secretary of the Interior and the Governor of Guam all failures to collect amounts due the government, and expenditures of funds or uses of property which are irregular, unnecessary, or not pursuant to law. The audit activities of the government comptroller shall be directed so as to (1) improve the efficiency and economy of programs of the government of Guam, and (2) discharge the responsibility incumbent upon the Congress to insure that the substantial Federal revenues which are covered into the treasury of the government of Guam are properly accounted for and audited.

"(d) The decisions of the government comptroller shall be final except that appeal therefrom may, with the concurrence of the Governor, be taken by the party aggrieved

or the head of the department concerned, within one year from the date of the decision, to the Secretary of the Interior, which appeal shall be in writing and shall specifically set forth the particular action of the government comptroller to which exception is taken, with the reasons and the authorities relied upon for reversing such decision.

"(e) If the Governor does not concur in the taking of an appeal to the Secretary, the party aggrieved may seek relief by suit in the District Court of Guam if the claim is otherwise within its jurisdiction. No later than thirty days following the date of the decision of the Secretary of the Interior, the party aggrieved or the Governor, on behalf of the head of the department concerned, may seek relief by suit in the District Court of Guam, if the claim is otherwise within its jurisdiction.

"(f) The government comptroller is authorized to communicate directly with any person having claims before him for settlement, or with any department officer or person having official relation with his office. He may summon witnesses and administer oaths.

"(g) As soon after the close of each fiscal year as the accounts of said fiscal year may be examined and adjusted, the government comptroller shall submit to the Governor of Guam and the Secretary of the Interior an annual report of the fiscal condition of the government, showing the receipts and disbursements of the various departments and agencies of the government. The Secretary of the Interior shall submit such report along with his comments and recommendations, to the President of the Senate and the Speaker of the House of Representatives.

"(h) The government comptroller shall make such other reports as may be required by the Governor of Guam, the Comptroller General of the United States, or the Secretary of the Interior.

"(i) The office and activities of the government comptroller of Guam shall be subject to review by the Comptroller General of the United States, and reports thereon shall be made by him to the Governor, the Secretary of the Interior, and to the Congress.

"(j) All departments, agencies, and establishments shall furnish to the government comptroller such information regarding the powers, duties, activities, organization, financial transactions, and methods of business of their respective offices as he may from time to time require of them; and the government comptroller, or any of his assistants or employees, when duly authorized by him, shall, for the purpose of securing such information, have access to and the right to examine any books, documents, papers, or records of any such department, agency, or establishment."

SEC. 6. Effective on the date of enactment of this Act, Section 18 of the Organic Act of Guam (64 Stat. 384, 388; 48 U.S.C. 1423(h)) is amended to read as follows:

"SEC. 18. Regular sessions of the legislature shall be held annually, commencing on the second Monday in January (unless the legislature shall by law fix a different date), and shall continue for such term as the legislature may provide. The Governor may call special sessions of the legislature at any time when in his opinion the public interest may require it. No legislation shall be considered at any special session other than that specified in the call therefor or in any special message by the Governor to the legislature while in such session. All sessions of the legislature shall be open to the public."

SEC. 7. (a) Section 19 of the Organic Act of Guam (64 Stat. 384, 389; 48 U.S.C. 1423i) is amended by deleting its fifth, sixth, seventh, eighth, and ninth sentences and by substituting therefor the following: "If, after such reconsideration, two-thirds of all the members of the legislature pass the bill, it shall be a law."

(b) Section 19 of the Organic Act of Guam is further amended by deleting the last sentence and by substituting therefor the following: "Copies of all laws enacted by the legislature shall be transmitted promptly by the Governor to the President and to the Congress. The President is authorized to annul any such law within sixty days of receiving a copy of such law if he deems such action to be necessary to protect the security, foreign relations, or property interests of the United States. The Congress reserves the power and authority to annul any such law within one year of its receipt by the Congress."

SEC. 8. (a) Effective on the date of enactment of this Act, subsection (c) of section 26 of the Organic Act of Guam (64 Stat. 384, 391; 48 U.S.C. 1421d(c)) is repealed.

(b) Effective January 4, 1971, section 26 of the Organic Act of Guam (64 Stat. 384, 391; 48 U.S.C. 1421d), as amended, is amended to read as follows:

"SEC. 26. The salaries and travel allowances of the Governor, Lieutenant Governor, the heads of the executive departments, other officers and employees of the government of Guam, and the members of the legislature, shall be paid by the government of Guam at rates prescribed by the laws of Guam."

SEC. 9. Effective on the date of enactment of this Act, section 5 of the Organic Act of Guam (64 Stat. 384, 385; 48 U.S.C. 1421b), is amended by adding at the end thereof the following new subsection (u):

"(u) The provisions of clause 1 of section 2 of article IV and section 1 of amendment XIV of the Constitution of the United States shall have the same force and effect within the unincorporated territory of Guam as in the United States or in any State of the United States."

SEC. 10. Effective on the date of enactment of this Act, chapter 15 of the General Military Law (70A Stat. 15, 16; 10 U.S.C. 331-334) is amended by adding at the end thereof the following new section 335:

"SEC. 335. For purposes of this chapter, 'State' includes the unincorporated territory of Guam."

SEC. 11. (a) Section 3 of the Organic Act of Guam (64 Stat. 384; 48 U.S.C. 1421a), as amended, is further amended by deleting all after the words "Federal Government" and inserting in lieu thereof the words "in all matters not the program responsibility of another Federal department or agency, shall be under the general administrative supervision of the Secretary of the Interior."

(b) Section 28(c) of the Organic Act of Guam (64 Stat. 384, 392; 48 U.S.C. 1421f(c)), as amended, is amended by deleting the words "head of the department or agency designated by the President under section 3 of this Act"; and deleting from the proviso the words "head of such department or agency" and by substituting in each such instance the words "Secretary of the Interior".

SEC. 12. Those provisions necessary to authorize the holding of an election for Governor and Lieutenant Governor on November 3, 1970, shall be effective on January 1, 1970. All other provisions of this Act, unless otherwise expressly provided herein, shall be effective January 4, 1971.

SEC. 13. This Act may be cited as the "Guam Elective Governor Act."

[COMMITTEE PRINT NO. 2]

[Suggested amendments of the Department of the Interior and the Bureau of the Budget to the bill S. 450]

A BILL To provide for the popular election of the Governor of the Virgin Islands, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That effective on the date of enactment of this Act section 7(a) of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 500; 48 U.S.C. 1572(a)), as amended, is amended to read as follows:

"(a) Regular sessions of the legislature shall be held annually, commencing on the second Monday in January (unless the legislature shall by law fix a different date), and shall continue for such term as the legislature may provide. The Governor may call special sessions of the legislature at any time when in his opinion the public interest may require it. No legislation shall be considered at any special session other than that specified in the call therefor or in any special message by the Governor to the legislature while in such session. All sessions of the legislature shall be open to the public."

SEC. 2. Effective on the date of enactment of this Act, section 9, subsection (a) of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 501; 48 U.S.C. 1575(a)) is amended by deleting the first sentence and by substituting therefor the following: "The quorum of the legislature shall consist of eight of its members."

SEC. 3. (a) Section 9, subsection (d), of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 502; 48 U.S.C. 1575(d)) is amended by deleting its sixth, seventh, eighth, ninth, and tenth sentences and by substituting therefor the following: "If, after such reconsideration, two-thirds of all the members of the legislature pass the bill, it shall be a law."

(b) Section 9, subsection (g) of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 501; 48 U.S.C. 1575(g)) is amended to read: "Copies of all laws enacted by the legislature shall be transmitted promptly by the Governor to the President and to the Congress. The President is authorized to annul any such law within sixty days of receiving a copy of such law if he deems such action to be necessary to protect the security, foreign relations, or property interests of the United States."

SEC. 4. Section 11 of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 503; 48 U.S.C. 1591) is amended to read as follows:

"SEC. 11. The executive power of the Virgin Islands shall be vested in an executive officer whose official title shall be the 'Governor of the Virgin Islands'."

The Governor of the Virgin Islands, together with the Lieutenant Governor, shall be elected by a majority of the votes cast by the people who are qualified to vote for the members of the legislature of the Virgin Islands. The Governor and Lieutenant Governor shall be chosen jointly, by the casting by each voter of a single vote applicable to both offices. If no candidates receive a majority of the votes cast in any election, on the fourteenth day thereafter a runoff election shall be held between the candidates for Governor and Lieutenant Governor receiving the highest and second highest number of votes cast. The first election for Governor and Lieutenant Governor shall be held on November 3, 1970. Thereafter, beginning with the year 1974, the Governor and Lieutenant Governor shall be elected every four years at the general election. The Governor and Lieutenant Governor shall hold office for a term of four years and until their successors are elected and qualified. No person who has been elected Governor for two full successive terms shall be again eligible to hold that office until one full term has intervened. The term of the elected Governor and Lieutenant Governor shall commence on the first Monday of January following the date of election.

"No person shall be eligible for election to the office of Governor or Lieutenant Governor unless he is able to read and write the English language, is and has been for five consecutive years immediately preceding the election a citizen of the United States and a bona fide resident of the Virgin Islands and will be, at the time of taking office, at least thirty years of age. The Governor shall maintain his official residence in the Government House on Saint Thomas during his incumbency, which house together with land appurtenant thereto is hereby transferred to the government of the Virgin Islands. While in Saint Croix the Governor may reside in Government House on Saint Croix free of rent.

"The Governor shall have general supervision and control of all the departments, bureaus, agencies, and other instrumentalities of the executive branch of the government of the Virgin Islands. He may grant pardons and reprieves and remit fines and forfeitures for offenses against local laws. He may veto any legislation as provided in this Act. He shall appoint, and may remove, all officers and employees of the executive branch of the government of the Virgin Islands, except as otherwise provided in this or any other Act of Congress, or under the laws of the Virgin Islands, and shall commission all officers that he may be authorized to appoint. He shall be responsible for the faithful execution of the laws of the Virgin Islands and the laws of the United States applicable in the Virgin Islands. Whenever it becomes necessary, in case of disaster, invasion, insurrection, or rebellion or imminent danger thereof, or to prevent or suppress lawless violence, he may summon the posse comitatus or call out the militia or request assistance of the senior military or naval commander of the Armed Forces of the United States in the Virgin Islands or Puerto Rico, which may be given at the discretion of such military commander if not disruptive of, or inconsistent with, his Federal responsibilities. He may, in case of rebellion or invasion or imminent danger thereof, when the public safety requires it, proclaim the islands, insofar as they are under the jurisdiction of the government of the Virgin Islands, to be under martial law. The members of the legislature shall meet forthwith on their own initiative and may, by a two-thirds vote, revoke such proclamation.

"The Governor shall make to the Secretary of the Interior under section 30 of this Act an annual report of the transactions of the government of the Virgin Islands for transmission to the Congress and such other reports at such other times as may be required by the Congress or under applicable Federal law. He shall have the power to issue executive orders and regulations not in conflict with any applicable law. He may recommend bills to the legislature and give expression to his views on any matter before that body.

"There is hereby established the office of Lieutenant Governor of the Virgin Islands. The Lieutenant Governor shall have such executive powers and perform such duties as may be assigned to him by the Governor or prescribed by this Act or under the laws of the Virgin Islands."

SEC. 5. Section 12 of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 503; 48 U.S.C. 1593) is deleted and replaced by the following new provision, also designated section 12:

"Sec. 12. Any Governor of the Virgin Islands may be removed from office (a) by the people registered to vote in the Virgin Islands if a majority of two-thirds of the persons registered to vote shall vote in favor of recall at a referendum election, or (b) by the President if such action is deemed by him to be necessary to protect the security, foreign relations, or property interests of the United States. A referendum election, for purposes of this section, may be initiated by the legislature of the Virgin Islands

following a two-thirds vote of the members of the legislature in favor of a referendum or by a petition to the legislature of 25 per centum of the people registered to vote in the Virgin Islands."

SEC. 6. Effective on the date of enactment of this Act section 13 of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 503; 48 U.S.C. 1594) is hereby repealed.

SEC. 7. (a) Section 14 of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 504; 48 U.S.C. 1595), is amended to read as follows:

"SEC. 14. (a) In case of the temporary disability or temporary absence of the Governor, the Lieutenant Governor shall have the powers of the Governor.

"(b) In case of a permanent vacancy in the office of Governor, arising by reason of the death, resignation, removal by recall, *removal by the President* or permanent disability of the Governor, or the death, resignation or permanent disability of a Governor-elect, or for any other reason, the Lieutenant Governor or Lieutenant Governor-elect shall become the Governor, to hold office for the unexpired term and until his successor shall have been duly elected and qualified at the next regular election for Governor.

"(c) In case of the temporary disability or temporary absence of the Lieutenant Governor, or during any period when the Lieutenant Governor is acting as Governor, the President of the Legislature shall act as Lieutenant Governor.

"(d) In case of a permanent vacancy in the office of Lieutenant Governor, arising by reason of the death, resignation, or permanent disability of the Lieutenant Governor, or because the Lieutenant Governor or Lieutenant Governor-elect has succeeded to the office of Governor, the Governor shall appoint a new Lieutenant Governor, with the advice and consent of the legislature, to hold office for the unexpired term and until his successor shall have been duly elected and qualified at the next regular election for Lieutenant Governor.

"(e) In case of the temporary disability or temporary absence of both the Governor and the Lieutenant Governor, the powers of the Governor shall be exercised, as Acting Governor, by such person as the laws of the Virgin Islands may prescribe. In case of a permanent vacancy in the offices of both the Governor and Lieutenant Governor, the office of Governor shall be filled for the unexpired term in the manner prescribed by the laws of the Virgin Islands.

"(f) No additional compensation shall be paid to any person acting as Governor or Lieutenant Governor who does not also assume the office of Governor or Lieutenant Governor under the provisions of this Act."

(b) Section 15 of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 504; 48 U.S.C. 1596), is repealed.

SEC. 8. Subsection (a) of section 16 of the Revised Organic Act of the Virgin Islands, as amended (68 Stat. 497, 504; 48 U.S.C. 1597(a)), is amended by deleting therefrom the last sentence.

SEC. 9. *Effective on the date of the enactment of this Act, section 17 of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 504; 48 U.S.C. 1599) is amended to read as follows:*

"SEC. 17. (a) *The Secretary of the Interior shall appoint in the Department of the Interior a government comptroller for the Virgin Islands who shall be under the general supervision of the Secretary of the Interior, shall not be a part of any executive department in the government of the Virgin Islands, and whose salary and expenses of office shall be paid by the United States from funds derived by transfer from the internal revenue collections appropriated for the Virgin Islands.*

"(b) *The government comptroller shall audit and settle all accounts and claims pertaining to the revenues and receipts from whatever source of the government of the Virgin Islands and of funds derived from bond issues; and he shall audit and settle, in accordance with law and administrative regulations, all expenditures of funds and property pertaining to the government of the Virgin Islands including those pertaining to trust funds held by the government of the Virgin Islands.*

"(c) *It shall be the duty of the government comptroller to bring to the attention of the Secretary of the Interior and the Governor of the Virgin Islands all failures to collect amounts due the government, and expenditures of funds or uses of property which are irregular, unnecessary, or not pursuant to law. The audit activities of the government comptroller shall be directed so as to (1) improve the efficiency and economy of programs of the government of the Virgin Islands and (2) discharge the responsibility incumbent upon the Congress to insure that the substantial Federal revenues which are covered into the treasury of the government of the Virgin Islands are properly accounted for and audited.*

"(d) *It shall be the duty of the government comptroller to certify to the Secretary of the Interior the net amount of government revenues which form the basis for Federal grants for the civil government of the Virgin Islands.*

"(e) The decisions of the government comptroller shall be final except that appeal therefrom may, with the concurrence of the Governor, be taken by the party aggrieved or the head of the department concerned, within one year from the date of the decision, to the Secretary of the Interior, which appeal shall be in writing and shall specifically set forth the particular action of the government comptroller to which exception is taken, with the reasons and the authorities relied upon for reversing such decision.

"(f) If the Governor does not concur in the taking of an appeal to the Secretary, the party aggrieved may seek relief by suit in the District Court of the Virgin Islands if the claim is otherwise within its jurisdiction. No later than thirty days following the date of the decision of the Secretary of the Interior, the party aggrieved or the Governor, on behalf of the head of the department concerned, may seek relief by suit in the District Court of the Virgin Islands if the claim is otherwise within its jurisdiction.

"(g) The government comptroller is authorized to communicate directly with any person having claims before him for settlement, or with any department officer or person having official relation with his office. He may summon witnesses and administer oaths.

"(h) As soon after the close of each fiscal year as the accounts of said fiscal year may be examined and adjusted, the government comptroller shall submit to the Governor of the Virgin Islands and the Secretary of the Interior an annual report of the fiscal condition of the government, showing the receipts and disbursements of the various departments and agencies of the government. The Secretary of the Interior shall submit such report along with his comments and recommendations to the President of the Senate and the Speaker of the House of Representatives.

"(i) The government comptroller shall make such other reports as may be required by the Governor of the Virgin Islands, the Comptroller General of the United States, or the Secretary of the Interior.

"(j) The office and activities of the government comptroller of the Virgin Islands shall be subject to review by the Comptroller General of the United States, and reports thereon shall be made by him to the Governor, the Secretary of the Interior, and to the Congress.

"(k) All departments, agencies, and establishments shall furnish to the government comptroller such information regarding the powers, duties, activities, organization, financial transactions, and methods of business of their respective offices as he may from time to time require of them; and the government comptroller, or any of his assistants or employees, when duly authorized by him, shall, for the purpose of securing such information, have access to and the right to examine any books, documents, papers, or records of any such department, agency, or establishment."

SEC. 10. Section 20 of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 505; 48 U.S.C. 1592, 1598, 1641), as amended, is amended to read as follows:

"SEC. 20. The salaries and travel allowances of the Governor, Lieutenant Governor, the heads of the executive departments, other officers and employees of the government of the Virgin Islands and the members of the legislature, shall be paid by the government of the Virgin Islands at rates prescribed by the laws of the Virgin Islands."

SEC. 11. Effective on the date of enactment of this Act, section 3 of the Revised Organic Act of the Virgin Islands (68 Stat. 497; 48 U.S.C. 1561) is amended by adding at the end thereof the following new paragraph:

"The provisions of clause 1 of section 2 of article IV and section 1 of amendment XIV of the Constitution of the United States shall have the same force and effect within the unincorporated territory of the Virgin Islands as in the United States or in any State of the United States."

SEC. 12. Effective on the date of enactment of this Act, chapter 15 of the General Military Law (70A Stat. 15, 16; 10 U.S.C. 331-334) is amended by adding at the end thereof the following new section 336:

"SEC. 336. For the purposes of this chapter, 'State' includes the unincorporated territory of the Virgin Islands."

SEC. 13. Section 2 of the Revised Organic Act of the Virgin Islands (68 Stat. 497; 48 U.S.C. 1541) is amended by adding at the end thereof the following new subsection (c):

"(c) The relations between such government and the Federal Government in all matters not the program responsibility of another Federal department or agency, shall be under the general administrative supervision of the Secretary of the Interior."

SEC. 14. Effective on the date of enactment of this Act, section 19 of the Revised Organic Act of the Virgin Islands (68 Stat. 505; 48 U.S.C. 1632) is amended by deleting the word "annually".

SEC. 15. Those provisions necessary to authorize the holding of an election for Governor and Lieutenant Governor on November 3, 1970, shall be effective on January 1, 1970. All other provisions of this Act, unless otherwise expressly provided herein, shall be effective January 4, 1971.

SEC. 16. This Act may be cited as the "Virgin Islands Elective Governor Act".

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D.C., March 18, 1967.

HON. HENRY M. JACKSON,
Chairman, Committee on Interior and Insular Affairs,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in further response to your requests of January 24 and 30, 1967, for the comments of the Bureau of the Budget on S. 449 and S. 450, bills to provide for the popular election of the Governors of Guam and the Virgin Islands.

At a meeting on March 14 with Senator Burdick and staff of your Committee we were asked to prepare draft language to carry out the recommendations contained in our earlier letter of March 3. Those recommendations dealt with the authority of the President to remove an elected Governor and to veto acts of the territorial legislatures for certain causes. In the course of the March 14 meeting we agreed to substitute for the veto authority language which would permit Presidential annulment of local laws.

We would propose, with respect to S. 449, that:

The proposed amendment of section 7 of the Organic Act of Guam contained in section 2 of S. 449 read as follows: "SEC. 7. Any Governor or Acting Governor of Guam may be removed from office (a) by the people registered to vote in Guam if 75 per centum of the persons registered to vote shall vote in favor of recall at a referendum election, or (b) by the President if such action is deemed by him to be necessary to protect the security, foreign relations, or property interests of the United States. A referendum election, for purposes of this section, may be initiated by the legislature of Guam following a two-thirds vote of the members of such legislature in favor of a referendum, or by a petition to the legislature of 25 per centum of the people registered to vote in Guam."

The proposed amendment of section 8(b) of the Organic Act of Guam contained in section 3 of S. 449 be revised by inserting the words "removed by the President," following the words "removed by recall."

The following be added to section 7 of S. 449: "Section 19 of the Organic Act of Guam is further amended by deleting the last sentence and by substituting therefore the following: 'Copies of all laws enacted by the legislature shall be transmitted promptly by the Governor to the President and to the Congress. The President is authorized to annul any such law within sixty days of receiving a copy of such law if he deems such action to be necessary to protect the security, foreign relations, or property interests of the United States. The Congress reserves the power and authority to annul any such law within one year of its receipt by the Congress.'"

With respect to S. 450, we propose that:

The present language in section 3 of the bill be designated as subsection (a) and that the following new subsection be added: "(b) Section 9, subsection (g), of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 501; 48 U.S.C. 1575 (g)) is amended to read: 'Copies of all laws enacted by the legislature shall be transmitted promptly by the Governor to the President and to the Congress. The President is authorized to annul any such law within sixty days of receiving a copy of such law if he deems such action to be necessary to protect the security, foreign relations, or property interests of the United States.'"

The proposed amendment of section 12 of the Revised Organic Act of the Virgin Islands contained in section 5 of S. 450 read as follows: "SEC. 12. Any Governor or Acting Governor of the Virgin Islands may be removed from office (a) by the people registered to vote in the Virgin Islands if 75 per centum of the persons registered to vote shall vote in favor of recall at a referendum election, or (b) by the President if such action is deemed by him to be necessary to protect the security, foreign relations, or property interests of the United States. A referendum election, for purposes of this section, may be initiated

by the legislature of the Virgin Islands following a two-thirds vote of the members of the legislature in favor of a referendum or by a petition to the legislature of 25 per centum of the people registered to vote in the Virgin Islands."

The proposed amendment of section 14(b) of the Revised Organic Act of the Virgin Islands contained in section 7 of S. 450 be revised by inserting the words "removed by the President," following the words "removal by recall."

It should be noted that our suggested language is designed to fit in with the existing provisions of S. 449 and S. 450. We are not taking a position with respect to the alternatives of removal of elected Governors by recall or impeachment or the authority of the Congress to annul local laws.

We believe the authority to elect their own Governors would represent a significant step in the achievement of local self-government in Guam and the Virgin Islands. As we have indicated previously the intent of the amendments we are proposing is not to diminish or limit the concept of local self-government in those areas. Rather, the intent is to assure that the President retains the minimal authorities he needs to carry out his continuing responsibilities under the Constitution.

The language we have proposed would permit the territories to have full control over their local affairs. The President's authority would be strictly limited to matters involving the security, foreign relations, or property interests of the United States. These are areas, we believe, of legitimate and continuing concern to the President.

With the enactment of the elected-governor bills, Guam and the Virgin Islands, while enjoying a full measure of local self-government, will continue to have a unique relationship to the Federal Government: i.e., their basic form of government will still be prescribed by Federal law in the form of their organic acts. The relationship of Guam and the Virgin Islands to the Federal Government will be in many respects analogous to that of a city to a State government. The States retain a responsibility for the organization and operations of their political subdivisions and, under certain State constitutions and laws, the Governors have removal authorities comparable to those we are proposing to vest in the President.

In sum, because of his continuing responsibilities under the Constitution, we believe the President should not be left in a position in which he has no authority to protect significant Federal interests in the territories.

Sincerely,

(Signed) WILFRED H. ROMMEL,
Assistant Director for Legislative Reference.

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., March 17, 1967.

HON. HENRY M. JACKSON,
Chairman, Committee on Interior and Insular Affairs,
U.S. Senate, Washington, D.C.

DEAR SENATOR JACKSON: This is in response to the informal request by the staff of your committee for our views on the correspondence between yourself and the General Accounting Office on the question of providing for the creation of an Office of Government Comptroller for Guam.

The existing audit procedures in the various territorial governments, which you requested be delineated, are outlined as follows:

1. The Federal comptrollership in the Virgin Islands is unique in the history of the Federal administration of the territories. In its 13-year history the Office has been not a little controversial and the Virgin Islands Constitutional Convention Report of February 26, 1965, recommended that a Territorial Office of the Government Comptroller be substituted for the Federal comptrollership. In classifying the role of the Virgin Islands Federal Comptroller, it is emphasized that the audit functions are *external* in nature and encompass both financial post-auditing and selective operational reviews. Within the Government of the Virgin Islands itself there is some internal auditing devoted in the main to verification of transactions.

2. In the Trust Territory a different pattern exists. External audit responsibility is specifically reposed in the General Accounting Office by annual

provisions in the Interior Appropriations Acts. The current provision, found in Public Law 89-435, is as follows:

"* * * Provided, That all financial transactions of the Trust Territory, including such transactions of all agencies or instrumentalities established or utilized by such Trust Territory, shall be audited by the General Accounting Office in accordance with the provisions of the Budget and Accounting Act, 1921 (42 Stat. 23), as amended, and the Accounting and Auditing Act of 1950 (64 Stat. 834): * * *" (80 Stat. 174).

In addition to the external audit responsibility of GAO, cited above, the Government of the Trust Territory provides internal auditing, which is concerned primarily with the review of cash accountability. It will be noted that the external audit responsibility in GAO contains no commitment as to time or frequency of audit. No GAO audit has been performed since 1961. An audit was scheduled for the last calendar year but was delayed at the Department's request because of a change in High Commissioners. During this period, however, the Department's Office of Survey and Review has performed a financial system review, projected substantial reforms, and performed a financial audit of selected activities in 1966.

3. In Guam a third pattern of auditing exists. Periodic external audits are performed by public accounting firms retained by the Government of Guam by contract. Such audits are of a balance-sheet type and have generally included, in addition to a statement of account balances, a professional assessment of any deficiencies in financial management. In addition to the external audit, there is within the Government of Guam internal auditing of both fiscal and operational types. The General Accounting Office, under its broad statutory responsibilities, is also free to audit at its option. The external audit reports, prepared by private accountants, are addressed to the Guam Legislature.

4. In American Samoa there has been a fourth auditing pattern. The only external auditing has been performed by the General Accounting Office at the election of that Office under its basic statutory authority. Only one such audit has been performed since 1960. Within the territorial government itself there has been a part-time investment in internal auditing.

In all of the governments cited above there is an integral audit operation more accurately described as "administrative examination" built into the processes of fiscal operations. Such examinations are in the form of individual voucher review to authenticate the document, verify mathematical accuracy, check availability of funds, etc.

When considering the pending bills regarding Guam and the Virgin Islands, three levels of audit should be distinguished. The first, is an internal audit performed by the territorial government. The second is an external audit, and the third is a review audit performed by the General Accounting Office. We are now concerned with the second level of audit. The first and third levels of audit will be performed in accordance with the law.

With respect to the external audit performed at the second level, the acceptable choices seem to be:

1. Provide for an audit by semiautonomous comptroller, as is now the situation in the Virgin Islands, or
2. Provide for an audit under the control and direction of the Secretary of the Interior.

We recommend the second approach. The first approach, which is now in effect in the Virgin Islands, involves the appointment of a comptroller for a fixed term of 10 years. Although the comptroller is said to be under the supervision of the Secretary of the Interior, the 10-year term and statutory definition of responsibility make supervision somewhat difficult. The result is that the comptroller tends to be semiautonomous.

There was some basis for this arrangement when both the Governor and the comptroller were appointed by the executive branch. An audit control by the Secretary of the Interior would be more of an internal audit than an external audit.

That basis will disappear, however, when the Governor becomes an elected official of the territorial government functions without any direct supervision from the executive branch. A second-level audit under the direction of the Secretary will in reality be an external audit of the territorial government by a Federal agency that has no direct responsibility for the operation of the territorial government. There is, therefore, no need for a comptroller who is semiautonomous.

We share the views expressed at the hearings that it is desirable to have the same system in Guam and the Virgin Islands. We believe, however, that the present Virgin Islands arrangement should be changed in view of the elected Governor provision, rather than continuing and extending it to Guam. We, therefore, suggest the following amendments to the two bills:

1. On page 7, line 12, strike all of subsection (a) of section 9-A, and substitute the following:

"SEC. 9-A. (a) The Secretary of the Interior shall appoint in the Department of the Interior a government comptroller for Guam who shall be under the general supervision of the Secretary of the Interior, shall not be a part of any executive department in the Government of Guam, and whose salary and expenses of office shall be paid by the United States from funds otherwise to be covered into the treasury of Guam pursuant to section 30 of the Organic Act of Guam."

This amendment removes the term of office, the exemption from the Classification Act, and makes the comptroller clearly subject to the Secretary's supervision. It also combines in one section parts from other sections that bear on the subject of supervision.

2. Delete subsection (d) beginning on line 16 and running through line 19 on page 8, and reletter succeeding subsections. Section (d) is not needed in the Guamanian bill because no excise revenues are collected and returned to the Government of Guam, subject to matching by the Government of Guam.

3. On page 9, line 21, delete the phrase "the President of the Senate, and the Speaker of the House of Representatives" and insert in its place the phrase "and the Secretary of the Interior"; and at the end of the subsection add the sentence "The Secretary of the Interior shall submit such report, along with his comments and recommendations, to the President of the Senate and the Speaker of the House of Representatives."

This amendment would have the comptroller submit his report to the Secretary, rather than directly to the Congress. The Secretary would then submit the report to Congress with any comments or recommendations that he may have.

4. On page 10, delete subsections (j) and (l), the substance of which has been included in the amended subsection (a).

In order to have the same type of comptroller in both the Virgin Islands and Guam, we recommend that S. 450 be amended to provide for the needed changes in section 17 of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 504; 48 U.S.C. 1599). This can be done by amending section 9 of the bill to read as follows:

"SEC. 9. Section 17 of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 504; 48 U.S.C. 1599) is amended to read as follows:

"SEC. 17. (a) The Secretary of the Interior shall appoint in the Department of the Interior a government comptroller for the Virgin Islands who shall be under the general supervision of the Secretary of the Interior, shall not be a part of any executive department in the Government of the Virgin Islands, and whose salary and expenses of office shall be paid by the United States from funds derived by transfer from the internal revenue collections appropriated for the Virgin Islands.

"(b) The government comptroller shall audit and settle all accounts and claims pertaining to the revenues and receipts from whatever source of the government of the Virgin Islands and of funds derived from bond issues; and he shall audit and settle, in accordance with law and administrative regulations, all expenditures of funds and property pertaining to the government of the Virgin Islands including those pertaining to trust funds held by the government of the Virgin Islands.

"(c) It shall be the duty of the government comptroller to bring to the attention of the Secretary of the Interior and the Governor of the Virgin Islands all failures to collect amounts due the government, and expenditures of funds or uses of property which are irregular, unnecessary, or not pursuant to law. The audit activities of the government comptroller shall be directed so as to (1) improve the efficiency and economy of programs of the Government of the Virgin Islands and (2) discharge the responsibility incumbent upon the Congress to insure that the substantial Federal revenues which are covered into the treasury of the Government of the Virgin Islands are properly accounted for and audited.

"(d) It shall be the duty of the government comptroller to certify to the Secretary of the Interior the net amount of government revenues

which form the basis for Federal grants for the civil government of the Virgin Islands.

"(e) The decisions of the government comptroller shall be final except that appeal therefrom may, with the concurrence of the Governor, be taken by the party aggrieved or the head of the department concerned, within one year from the date of the decision, to the Secretary of the Interior, which appeal shall be in writing and shall specifically set forth the particular action of the government comptroller to which exception is taken, with the reasons and the authorities relied upon for reversing such decision.

"(f) If the Governor does not concur in the taking of an appeal to the Secretary, the party aggrieved may seek relief by suit in the District Court of the Virgin Islands if the claim is otherwise within its jurisdiction. No later than thirty days following the date of the decision of the Secretary of the Interior, the party aggrieved or the Governor, on behalf of the head of the department concerned, may seek relief by suit in the District Court of the Virgin Islands if the claim is otherwise within its jurisdiction.

"(g) The government comptroller is authorized to communicate directly with any person having claims before him for settlement, or with any department officer or person having official relation with his office. He may summon witnesses and administer oaths.

"(h) As soon after the close of each fiscal year as the accounts of said fiscal year may be examined and adjusted, the government comptroller shall submit to the Governor of the Virgin Islands and the Secretary of the Interior an annual report of the fiscal condition of the government, showing the receipts and disbursements of the various departments and agencies of the government. The Secretary of the Interior shall submit such report along with his comments and recommendations to the President of the Senate and the Speaker of the House of Representatives.

"(i) The government comptroller shall make such other reports as may be required by the Governor of the Virgin Islands, the Comptroller General of the United States, or the Secretary of the Interior.

"(j) The office and activities of the government comptroller of the Virgin Islands shall be subject to review by the Comptroller General of the United States, and reports thereon shall be made by him to the Governor, the Secretary of the Interior, and to the Congress.

"(k) All departments, agencies, and establishments shall furnish to the government comptroller such information regarding the powers, duties, activities, organization, financial transactions, and methods of business of their respective offices as he may from time to time require of them; and the government comptroller, or any of his assistants or employees, when duly authorized by him, shall, for the purpose of securing such information, have access to and the right to examine any books, documents, papers, or records of any such department, agency, or establishment."

Time has not permitted the Department to obtain the views of the Bureau of the Budget on this matter.

Sincerely yours,

HARRY R. ANDERSON,
Assistant Secretary of the Interior.

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., April 24, 1967.

Hon. HENRY M. JACKSON,
*Chairman, Committee on Interior and Insular Affairs,
U.S. Senate, Washington, D.C.*

DEAR SENATOR JACKSON: This is in reference to our letter of March 17, 1967, which presented our views on the correspondence between yourself and the General Accounting Office on providing for the creation of an Office of Government Comptroller for Guam.

In that letter we presented our proposal for a Government Comptroller for Guam and also recommended changes in the Office of Government Comptroller

for the Virgin Islands so that the two offices would be similar. At the time the letter was forwarded to your office, the Bureau of the Budget was not able, because of the press for time, to give its views on our proposal. We have since been informed by the Bureau of the Budget that there is no objection to the presentation of our proposal from the standpoint of the Administration's program.

Sincerely yours,

HARRY R. ANDERSON,
Assistant Secretary of the Interior.

Senator BURDICK. Our first witness this morning will be Mr. Harold Seidman, representing the Bureau of the Budget, who will speak for the administration on the two issues I mentioned previously—the right of the President (1) to remove the territorial Governors, and (2) to annul acts of the territorial legislatures.

Upon completion of the hearing on these two bills, the committee will hold a separate hearing on President Johnson's nomination of Gov. Manuel F. L. Guerrero for another 4-year term as Governor of Guam.

We are delighted to have you here, Mr. Seidman.

STATEMENT OF HAROLD SEIDMAN, ASSISTANT DIRECTOR FOR MANAGEMENT AND ORGANIZATION, BUREAU OF THE BUDGET

Mr. SEIDMAN. I appreciate the opportunity to testify before this committee on several amendments which the Bureau of the Budget has proposed to S. 449 and S. 450, bills to provide for the popular election of the Governors of Guam and the Virgin Islands.

Our report to this committee on the bills was submitted on March 3, and in response to the request of Senator Burdick and your staff during a meeting on March 14, we also furnished specific language to carry out our recommendations in a letter dated March 18.

At the outset I want to stress as strongly as I can that we want Guam and the Virgin Islands to enjoy the fullest measure of local self-government, and we therefore strongly endorse the objectives of S. 449 and S. 450.

The citizens of Guam and the Virgin Islands have clearly demonstrated their capacity to govern local affairs. They deserve to have their abilities recognized and their basic rights achieved.

The intent of the amendments we are recommending is not to diminish or limit the concept of local self-government. Rather, our intent is to assure that the President has the limited authority needed to carry out continuing Federal responsibilities under the Constitution for the proper execution of Federal laws applicable to Guam and the Virgin Islands.

We have recommended, with regard to matters involving the security, foreign relations, and property interests of the United States, that the President be authorized to remove an elected Governor and to annul local laws. We believe these are areas of legitimate Federal concern. In matters of purely local concern, the President cannot and will not act.

The President's powers should and would be exercised only in extraordinary circumstances. What we are talking about here is essentially reserved power. They certainly would not be exercised capriciously or without sound reason.

With the enactment of the elected Governor bills, Guam and the Virgin Islands will continue to occupy a unique place in our system of

government. Clearly, they will not have the status of States and will not be subject to the responsibilities and limitations placed on States by the Constitution. In many respects their relationship to the Federal Government is analagous to that which exists between a State and its local governments. Their organic acts are similar to State charters for local governments which prescribe generally their form of organization, rights, and powers. Just as the States retain a responsibility for their local governments, so the Federal Government retains a responsibility for Guam and the Virgin Islands.

In a number of cases the States have retained authority over local governments which is analagous to what we are recommending. For example, under section 33 of the public officers law, the Governor of New York may remove the chief executive of any city and the city's police chief merely upon notice of charges and an opportunity to be heard.

Under article XI, section 6, of the Maryland constitution the mayor of Baltimore may be removed by the Governor upon conviction in a court of law or for neglect of duty or misbehavior.

There are provisions in other constitutions and other State laws for removal of other officials. The Governors of Guam and the Virgin Islands will be responsible not only for the execution of local laws but also for Federal laws applicable to their territories. The latter include, of course, the organic acts themselves. We believe this combination of a continuing Federal responsibility and a situation in which the Governors of the territories are responsible for the execution of Federal laws, makes our amendments necessary and appropriate.

Last year, in its reports on similar bills, this committee also recognized the need for a reservation of certain Federal powers. It proposed that an elected Governor could be removed by recall, only upon approval by the President, stating:

The approval of the President was felt necessary by the members of the committee in light of the Governor's duty to enforce all applicable Federal laws in Guam (and the Virgin Islands) and in light of the substantial responsibility and interest of the Federal Government in the affairs of the territories.

We do not believe that your committee's approach of restricting the President's role to that of approving or disapproving the recall of an elected Governor accomplishes our mutual objectives. It could result in a situation in which a Governor who has completely lost the support of the people of the territory is retained in office against the will of the people.

On the other hand, it does not provide any means of protecting vital Federal interests except in those instances in which the electorate has chosen to recall a Governor.

Similarly, we do not believe that the retention by Congress of the right to annul local laws—explicit in the case of Guam and implicit in the case of the Virgin Islands—adequately provides for meeting potential problems.

There may be territorial enactments when Congress is not in session of serious consequence to Federal interests. And, even when Congress is in session, there could be serious delays in the congressional annulment process.

Viewed from another point, we do not believe that the authorities we are recommending for the President are any more limiting on local self-government than the Congress' authority to annul local

laws or the concept of a Federal comptroller in Guam and the Virgin Islands.

We have no objection to such comptrollers if the provisions for those officers are amended as suggested in the Department of the Interior's letter of March 17, 1967. However, the concept appears to us to be more limiting than what we are proposing.

Again let me stress that we are talking about unusual, rare situations. The authorities we are recommending to be given to the President are limited to matters of major concern to the Federal Government. There is no intent of or authority to interfere in purely local matters.

Prior to my appearance we received a copy of Resolution No. 188 (1-S) of the Guam Legislature dated April 7, 1967. We have carefully and sympathetically studied the resolution which opposes our recommendations.

We cannot agree with many of its major points. First, the resolution states that the proposed Presidential powers would cripple local self-government and be a giant step backward. Again, we would stress that the proposed amendments are needed only in connection with continuing Federal responsibilities. The President's powers would be exercised, if at all, only in rare cases and never in connection with purely local matters. Second, the resolution states that the elected Governor would be put in the impossible situation of serving two masters: the people of the territory and the President. In fact, however, the Governor does, indeed, have a dual role in executing both local and Federal laws. Our amendments recognize this dual role and some means of insuring that he carries out his basic Federal responsibilities in a manner which does not adversely affect basic Federal interests.

Third, the resolution states that the U.S. property interests are already adequately protected. In general, we would agree. However, we are concerned not about direct action against Federal property but potential indirect actions.

Fourth, the resolution states that State Governors do not possess authorities comparable to those proposed for the President. As I noted above, some State Governors do have authority to remove local officials. Nor can we agree, for reasons I have stated, with the final points that the authorities retained by Congress are adequate to protect Federal interests or that the situation in a State should be analogous to that in one of the territories.

In summary, we believe that the amendments we have recommended will, on the one hand, permit the full development of local self-government and will, on the other hand, permit the President, in matters affecting vital U.S. interests, to carry out continuing Federal responsibilities with respect to Guam and the Virgin Islands.

Thank you very much, Mr. Chairman.

Senator BURDICK. Without objection, the resolution from the Guam Legislature referred to will be made a part of the record.

(The document referred to follows:)

RESOLUTION NO. 188(1-S) OF THE NINTH GUAM LEGISLATURE

Relative expressing the vigorous opposition of the people of Guam to any language in the proposed Elected Governorship Bills now pending in the United States Congress which would give the President of the United States the right to remove from office such an elected governor and the right to veto any bills passed by the Guam Legislature

Be it resolved by the Legislature of the territory of Guam:

Whereas, the Legislature has read with dismay that letter dated March 18, 1967, from Mr. Wilfred E. Rommel, Assistant Director for Legislative Reference of the Bureau of the Budget, Executive Office of the President, directed to the Chairman of the Senate Committee on Interior and Insular Affairs whereby the Bureau of the Budget requests that the Guam Elective Governorship Bill now pending before Senator Jackson's Committee be amended to provide that the President may remove the elected governor when he deems it necessary to protect the security, foreign relations or property interests of the United States and to authorize him to veto any law passed by the Guam Legislature within sixty days after he receives a copy thereof if he deems such action necessary to protect the said security, foreign relations or property interests of the United States, the justification for such recommended amendments as set forth in the letter being that the amendments were necessary to assure that the President retains the authority he needs to carry out his continuing responsibilities to Guam under the Constitution, and the claim is made in said letter that such amendments would still permit the territory of Guam to have full control of its local affairs and that these amendments would neither diminish nor limit local self-government in Guam; and

Whereas, since, contrary to the claim of the Office of the Bureau of the Budget, the Legislature firmly believes that in point of fact, these amendments would cripple local self-government in the territory and be a giant step backwards in Guam's continuing search for greater autonomy in local matters, the legislature finds it necessary at this time to formally advise the United States Congress that the people of Guam are opposed to the recommended amendments of the Bureau of the Budget, and to state the reasons for such opposition: Now, therefore, be it

Resolved, that the Ninth Guam Legislature does hereby on behalf of the people of Guam respectfully advise the Congress of the United States that the proposed provisions in the pending elective governorship bills for Guam which would grant the President of the United States the power to remove from office such an elected governor and the power to annul any legislation passed by the Guam Legislature within 60 days after passage are totally unacceptable to the people of Guam for the following reasons:

1. If the President has the power to remove the Governor elected freely by the people of Guam, the Governor will of necessity have to serve two masters, the President of the United States and people who elected him, and such a division of loyalty is an impossible burden to place on any elected official; the argument that the President would only so remove the elected governor if national security or property interests required is in effect no limitation at all on the President's power to remove, since in this day and age, national security can always be invoked to justify the removal of the governor of an island containing large military bases without giving any other explanation since it can always be claimed that the security interests involved are so vital that they cannot be publicly discussed;

2. The property interests of the United States are already adequately protected in Guam by the United States Court with its Federal judge who sits in Agana, Guam, and by the United States Attorney who can bring immediate action in said Federal court to protect any property interest of the United States, and, hence, the provision of an elected governor for Guam in no way creates any threat to such Federal property interests; accordingly, to permit the President of the United States to annul the laws of Guam to protect U.S. property interests is to give him a power over the local affairs of Guam he does not presently have and which he does not need, and, to that extent, Guam's present rights of self-government are thereby diminished;

3. The argument made by the Bureau of the Budget that the relationship Guam would have to the federal government with an elected governor is analogous to that of a city to a state government might well be true, in which case, to use this very argument, the President should not have the right to remove the Governor or veto acts of the Guam Legislature since as far as can be determined no state governor, can, on his own motion, remove the mayor of a city having a self-government charter, nor can the state governor annul city ordinances on his

own volition, the people of a chartered city having the right to remove their mayor by either recall elections, impeachment proceedings, or defeat in the next regular election, and the state courts being empowered to annul city ordinances contrary to state laws; such exclusive removal privilege should also be the right of the people of Guam, and the Federal court is here to strike down any local legislation contrary to the Constitution or federal law;

4. The argument presented by the Bureau of the Budget that the President needs these extraordinary rights to carry out his constitutional responsibilities strikes the Legislature as strange since under the Constitution it is the Congress and not the President that has constitutional responsibility over territories (U.S. Constitution, Article IV), and, thus, while the Congress has traditionally retained the power to annul territorial legislation, the Legislature is not familiar with any case where the President was similarly empowered; the statement that the President should not be left in the position in which he has no authority to protect significant federal interests in the territory is again strange to the traditional concepts of separation of powers and local self-government, the State of Hawaii probably having many more federal interests than Guam and the President certainly having no right to remove its governor or annul its legislation, and there is no showing that the people of Guam, being as much American citizens as any others, are not to be trusted in their relations with the Federal Government; and be it further

Resolved, that this resolution do also serve as notice to Congress that the people of Guam would prefer the status quo with an appointed governor rather than an elected chief executive who can be removed at the whim of the President and whose legislature can enact legislation only if the President doesn't disapprove; and be it further

Resolved, that the Speaker certify to and the Legislative Secretary attest the adoption hereof and that copies of the same be thereafter transmitted to the Director of the Bureau of the Budget, Executive Office of the President, to the Chairmen, Committees on Interior and Insular Affairs, Senate and House, and to the Governor of Guam.

Duly and regularly adopted on the 7th day of April, 1967.

J. C. ARRIOLA,
Speaker.

F. T. RAMIREZ,
Legislative Secretary.

Senator BURDICK. Mr. Seidman, the one thing that occurred to me is; why was not the attitude of the Bureau of the Budget this year in evidence the same as last year?

Mr. SEIDMAN. I think the position was changed from last year. Last year the bill provided for removal of the Governor for cause without specifying what the cause might be.

At the present time, furthermore, a bill vetoed by the Governor, if he desired, could be referred to the President.

With respect to the removal authority on further reflection we thought we ought to further specify quite clearly the grounds on which the removal authority could be used. What we are proposing today is more limited on removal than the previous position taken by the Bureau. We wanted to make clear it would only be used where there was demonstrable Federal interest involved.

Secondly, we did not think the use of the veto as proposed previously, which is analagous to that existing in present law, would be satisfactory when the Governor was elected.

I would find it difficult to conceive of a situation in which an elected Governor would send a veto to the President after it has been passed by the legislature.

Senator BURDICK. Last year, in its reports on similar bills, this committee also recognized the need for a reservation of certain Federal powers. It proposed that an elected Governor could be removed by recall only upon approval by the President.

Under the reservation of powers you want now, regardless of what the Governor thinks, the President of the United States could annul the law.

Mr. SEIDMAN. There is language in the committee report which recognizes the special character.

Senator BURDICK. However, you also include the Governor. Your views this year are more limiting.

Mr. SEIDMAN. Our views this year are more limited.

Senator BURDICK. I think that under the bill last year the people of Guam had more self-government.

Mr. SEIDMAN. No; we had recommended that the President have the authority to remove a Governor for any cause, which is broader than what we are proposing today.

Senator CHURCH. Excuse me, I think "remove for cause" is something that is well imbedded in the law. I don't think there is much doubt about what "for cause" means. It means malfeasance or misfeasance.

Mr. SEIDMAN. Or nonfeasance.

Senator CHURCH. The law is well established over the generations on what "for cause" means. I can't agree with your interpretation that you are now proposing a Presidential power that is more limited than that contained in last year's bill.

I can't imagine anything that is more vague or the scope of which could be more extensive than such reasons as "foreign policy" and "national security."

Under national security we do most anything regularly up here on the Hill. National security is about as broad a term as I can imagine.

What you are proposing is that the President should have full power to veto legislation of the local legislature and to remove a Governor the people elected if the President finds in his judgment that either the legislature or the Governor have done something that he regards inimical to the national policy or foreign policy of the United States.

I can't accept your interpretation that this constitutes a more restricted power than that contained in last year's bill.

Mr. SEIDMAN. I would disagree, respectfully, Senator Church, because authority to act broadly "for cause" could apply strictly to local matters.

Our endeavor here, I think you expressed it correctly, is to limit the use of authority to cases where there is a demonstrable Federal interest involved.

I don't know how we could define it more clearly than national security.

Senator CHURCH. I don't know how you could define it more broadly.

Mr. SEIDMAN. This would demonstrate that the President could not act in a cavalier fashion but only in terms of identifiable interest.

Senator CHURCH. You say the President's power should and would be exercised only in extraordinary situations. That is your testimony. Show me some language in your proposed amendment that would indicate Presidential powers are to be limited and exercised only in extraordinary circumstances.

Mr. SEIDMAN. I would not think in drafting language anyone would write in the term "extraordinary circumstances."

Senator CHURCH. Which law?

Mr. SEIDMAN. Certainly legislative history is used by any court.

Senator CHURCH. When is that used, only when the law is unclear?

Mr. SEIDMAN. That is right.

Senator CHURCH. Is anything ambiguous in your proposal?

Mr. SEIDMAN. I don't think so.

Senator CHURCH. Where does this say this power would be exercised only in extraordinary circumstances?

Mr. SEIDMAN. As I said, it would seem to me if such language was written in with respect to exercise of the authority by the President, it would be most objectionable since it involves the implicit assumption that the President would act capriciously.

Senator CHURCH. That is a novel concept of law, that we write the broadest language into the governing law and then accept your assurance that it will always be exercised in the most prudent way and only under exceptional and extraordinary circumstances.

Mr. SEIDMAN. I believe that, in our constitutional system and with respect to the President's actions permitted under the law, I know of no statute, maybe someone can call one to my attention, that contains such language—that this power should not be used capriciously or used only under extraordinary circumstances.

I don't think that would be a satisfactory legal test.

Senator CHURCH. I can cite a hundred instances where the term "reasonable use" or "restriction" is imposed on the exercise of power.

That is not uncommon.

Mr. SEIDMAN. I would not have objection to language saying he could not do this without a reasonable showing.

Senator CHURCH. Would you have objection if we made the language comply with your testimony, that it would be done only under extraordinary circumstances?

Mr. SEIDMAN. I would have no objection. That is what we are really talking about. I think we are not in basic disagreement about what we are seeking. I think the special status of these two territories and our continuing responsibility requires us to recognize the need for reserve power.

If something occurs when there is a need, Congress could take away the power, but this would be highly undesirable. What we are recommending is basically that the reserve of powers be retained and where there are extraordinary circumstances they could be used without having to go back and revoke and take away what you have given to the territories.

Senator BURDICK. Mr. Seidman, you used in your testimony the analogy of State powers over cities as support for your argument. Isn't it a fact that a county or a township or a city is merely a subdivision of that State and you don't have the same parallel situation you have between the Federal Government and the State? You are dealing with subdivisions within a State.

Mr. SEIDMAN. That is true of a county, it is not true of a city under a home rule charter. In effect, that goes beyond what this bill provides for Guam and the Virgin Islands. Where the State provides they can elect their local officials under their own charter, certain authority is retained. This is not universal practice.

Senator BURDICK. Universal practice is just to the contrary.

Mr. SEIDMAN. In the same way, in effect, the Congress has not authorized, in the case of Guam or the Virgin Islands, the power to act on their own. Congress has enacted, in effect, the local Organic Act, an equivalent of the local charter. It is in law. That is not the situation with a city under a home rule bill.

Senator CHURCH. Will the chairman yield?

Senator BURDICK. Yes.

Senator CHURCH. You have used illustrations which you have called analogous to the powers you seek now to invest in the President. You have used this State-local government example. Reading from your testimony you say:

Under Article XI, Section 6, of the Maryland Constitution the Mayor of Baltimore may be removed by the Governor upon conviction in a court of law or for neglect of duty or for misbehavior.

Isn't that a right of removal for cause comparable to the present provisions in the Organic Act of Guam? It is not comparable to what you are proposing but comparable to present provisions, is it not?

Mr. SEIDMAN. The present provisions would not remove an elected Governor.

Senator CHURCH. You are arguing the Maryland illustration is analogous to your proposal and you are using it to support the reasonableness of your proposal. I am asking: Is it not more analogous to existing law than your proposal?

Mr. SEIDMAN. No, not to existing law; I don't think there is authority to remove an elected Governor who serves at the pleasure of the appointing official.

Senator CHURCH. Let's check that. It was my impression the Governor of Guam is appointed for a 4-year term.

Mr. SEIDMAN. That is right.

Senator CHURCH. Let's look at the law. Is it your interpretation of this, let me read from the law:

The Governor shall be appointed by the President by and with the advice and consent of the Senate of the United States and shall hold his office for four years.

Mr. SEIDMAN. The Postmaster General of the United States also has a 4-year term.

Senator CHURCH. It is your interpretation the President can remove him at any time without cause?

Mr. SEIDMAN. Under existing doctrine that would be my interpretation. As you know, the distinction in legal terms was drawn between those performing executive functions and those performing quasi-judicial functions.

Senator CHURCH. It is normal when a term of years is given—

Mr. SEIDMAN. The Postmaster General has a 4-year term, but I think we can assume he serves at the pleasure of the President. There are other cases of officials who have set terms of office; the fact they cannot serve beyond that period without reappointment does not mean they cannot be removed sooner.

Senator CHURCH. I think it may have been our impression in this committee, when we passed that law, that we were giving the Governor a 4-year term. This testimony that we had not done that, even though we wrote it into the law, is interesting, and I think we ought to go into it a little more thoroughly.

It is the first time to my knowledge that the Governor is subject to removal despite the 4-year term and despite the fact there is no cause.

Mr. SEIDMAN. This is the distinction drawn by the Supreme Court in the Meyer's case and it came up again in connection with the Tennessee Valley Authority where the term was for 9 years and Mr. Morgan was removed. He was a Tennessee Valley Authority Director.

The Court decided that a power of appointment is a power of removal in those cases.

Senator CHURCH. We have a member of this committee, Senator Gruening, who was Governor of Alaska. He remained on to the end of his term. Your interpretation of the Supreme Court authority may be valid. What I am saying is it comes to my attention—and, for all I know, the attention of the committee for the first time—that this is a law.

I don't think I am mistaken when we wrote this 4-year term into the law we did so under the impression we were giving a 4-year term.

Mr. SEIDMAN. Well you did give a 4-year term and it provides a man can't serve beyond that unless reappointed, so it is a 4-year term.

Senator CHURCH. You see we were drawing comparison to the other organic act. The Virgin Islands act says the Governor shall serve at the pleasure of the President and on the face of it, it would seem that one would be different from the other but in your interpretation of the law, one really is not different from the other.

Mr. SEIDMAN. That is the reason it was not included. Perhaps some of the members of the staff recognize I did have something to do with the Guam Organic Act.

Senator CHURCH. I think this will be interesting to the members of the committee and something we ought to explore more thoroughly.

Isn't it true that by and large the power of the Governor to remove local authorities under State law is an unusual and extraordinary one? It is not common practice in most States in the United States for the Governor to have this kind of authority.

You could have cited a lot more examples if that were so, couldn't you?

Mr. SEIDMAN. I would say it was difficult to go and read every constitution so I did not exhaust the study.

Senator CHURCH. We have a former Governor here. Governor Hatfield, did you have the power in Oregon to remove local authorities under your constitution?

Senator HATFIELD. I don't know—No.

Senator CHURCH. I don't know of any such power in the Governor of Idaho. Did you have such authority in North Dakota?

Senator BURDICK. No.

Mr. SEIDMAN. I have a report that says a Governor of a State has or should have this power to act if they assume there is a very considerable degree of responsibility for political subdivisions. True, it may be described in a very indifferent manner, but frequently they have failed to perform this function at all.

It goes on to say the Governor of the State should have, and some do have, the power to remove local officers and to supervise the offices and agencies of local government.

This was said by a leading scholar of State governments.

Senator CHURCH. Which is advocating they should have and some do have.

Mr. SEIDMAN. That is right.

Senator CHURCH. Under the Federal arrangement, jurisdiction over the territories is invested in the Congress, not the President.

Mr. SEIDMAN. I think under the constitutional system the legislative function of making rules and regulations for the government of the territory is invested in Congress.

Senator CHURCH. Yes; it is established in the organic act to place those powers and see that they are executed and they are invested in Congress.

The power of decision here lies with Congress; doesn't it?

Mr. SEIDMAN. That is certainly correct. I don't want to leave an impression I am raising a question on that score but rather that the President is Commander in Chief and his responsibility in the Constitution on foreign policy enters into it.

I would point out the difference between the territories and the States, which I did not mention in my statement. We do, within the States, establish areas of exclusive Federal jurisdiction, and these are quite sizable in many States, where in some the State cannot come in, these are under the control and administrative authority of the Federal Government.

We do not have an analogous situation in Guam.

Senator CHURCH. Isn't it the responsibility of Congress to establish that kind of authority in the territories if it is necessary?

Mr. SEIDMAN. Yes; but this complicates the problem because legislation enacted by the Legislature in Guam as I understand it could apply and have force in areas of reservation on Guam.

Senator CHURCH. You have testified it is within the power of the Congress to establish exclusive areas should that prove necessary or, for that matter, to change the organic act law should that prove necessary; is that right?

Mr. SEIDMAN. That is right. The point I am making is that I would not think this is compatible with the objective we are seeking, maximum local self-government.

Senator CHURCH. I don't think you are giving maximum local self-government with these amendments. That is why I am concerned. How long have the people of Guam been citizens of the United States?

Mr. SEIDMAN. Since 1950.

Senator CHURCH. How long have the people of the Virgin Islands been citizens of the United States?

Mr. SEIDMAN. Since 1927.

Senator CHURCH. When we conferred self-government upon the people of Puerto Rico, was it necessary for the President to retain the power to dismiss the Governor of Puerto Rico or to annul the acts of the Puerto Rican Legislature?

Mr. SEIDMAN. As I recall the arrangement, when Puerto Rico was given the right to elect its Governor in 1947 and until its constitution was ratified in 1952, Congress did two things: First, they retained the veto authority which existed where the Governor could refer bills which were passed over his veto to the President for action.

Second, they did create an office of Federal Coordinator for Puerto Rico who had certain authority not only over Federal activities in Puerto Rico, but authority to investigate other actions relating the the government of Puerto Rico.

Senator CHURCH. Don't we have a comparable office in the Virgin Islands?

Mr. SEIDMAN. No, there is not a comparable office in the Virgin Islands. The office for Puerto Rico was never filled.

Senator CHURCH. It was not filled in Puerto Rico?

Mr. SEIDMAN. No, and I think it should not be filled because I think it was completely incompatible with responsibilities of the elected Governor to have another authority in the same area.

Senator CHURCH. My question is, When we granted self-government to Puerto Rico did we think it necessary to give the President of the United States power to remove the Governor of Puerto Rico or power to veto local legislation?

Mr. SEIDMAN. No, it was not done. There was a veto retained by the President where, if a bill was passed over the veto of the Governor of Puerto Rico, he could refer it to the President and it could be vetoed.

This is the old case of the double veto.

Senator CHURCH. It was the right of the President to back up the present Governor. That is quite different than vetoing a bill the elected Governor approves.

Mr. SEIDMAN. It is.

Senator CHURCH. It is one that complies with my opinion of self-government. Your proposal contradicts it.

Mr. SEIDMAN. It is not what we are seeking, there is here a continuing Federal interest.

Senator CHURCH. Wasn't there a continuing Federal interest in Puerto Rico, or is Puerto Rico less important to the foreign policy and national security of the United States than the Virgin Islands?

Mr. SEIDMAN. There was, and as I said, Congress sought to achieve this through another arrangement, which was through the instrumentality of a Federal coordinator.

Senator CHURCH. You also testified you were opposed to filling that office and were opposed to that device.

Mr. SEIDMAN. I thought the arrangement was not satisfactory for meeting the problem we would have.

Senator CHURCH. How long has the Government of Puerto Rico exercised its self-governing powers?

Mr. SEIDMAN. We have done something quite different with Puerto Rico. It is a Commonwealth. Congress has authorized Puerto Rico to enact its own Constitution, which was approved by the Congress.

Senator CHURCH. Are you opposed to that arrangement?

Mr. SEIDMAN. No, I fully support it, but this is not what we are doing—

Senator CHURCH. But to say that the Congress has made a different arrangement in Puerto Rico is not an argument for the amendments you propose to this self-government act.

We did give a full measure of self-government to Puerto Rico and you say you approve of that. If you approve of that, why do you advocate such a different arrangement which, in fact, augments Presidential power in connection with this bill which is ostensibly designed to give self-government to the Virgin Islands and Guam?

Mr. SEIDMAN. Again, Senator Church, I can't agree with you because these two bills providing for an elected Governor are not the same as what we have done in Puerto Rico.

Senator CHURCH. The point I am trying to make is not to say Puerto Rico is the same, which gets off on a different tangent. The

point is we felt the people of Puerto Rico could be trusted with the powers of self-government and we gave them those powers.

The basic question is, Can the people of the Virgin Islands be entrusted with self-government or are we going to impose on the islands new authority on the part of the President of the United States to veto legislation of the local government?

If the people of Puerto Rico could be trusted with self-government, why could not the people of the Virgin Islands be trusted?

Mr. SEIDMAN. We have two different questions here. We are not talking of self-government. I don't think we could expect that the people of the Virgin Islands or Guam any more than the people of Idaho or Oregon or any other State could unilaterally determine what is necessary to protect the national security of the United States or other Federal matters.

We're dealing with a mixed situation.

Senator CHURCH. May I interrupt for a moment? If you told the people of the State of Idaho that the national security interests of the United States were such that the President of the United States would have to have the power to remove the Governor of Idaho or to veto the acts of the Legislature of the State of Idaho, you would have a small civil war on your hands and that is the point at issue here.

Either these people are entitled to self-government or they are not. If the national security interests are such in the Virgin Islands and the need to protect property is so important and the foreign policy interests of the United States are so vital there that we cannot give these people the same measure of government that we have conferred on other people of the United States, we should not pass this bill.

And these are amendments which enlarge the power of the President of the United States. I regard these amendments as a form of new colonialism not as a form of extending self-government to the citizens of the Virgin Islands and Guam.

Mr. SEIDMAN. I must again very respectfully disagree. Certainly we are not advocating any form of colonialism but we have to recognize we have a situation in which the Governor of the Virgin Islands or Guam, elective or not, under the present arrangement which will not be changed under this legislation, will be serving in a dual capacity. He will not be operating simply under a local law; he will have Federal responsibilities, which the committee itself recognized when it said in the report that, in the light of the Governor's duties to enforce all applicable Federal laws and in light of the substantial interests of the Federal Government in the territories, his recall should be subject to Presidential approval.

We don't have the same kinds of situation. The Governor of the Virgin Islands or Guam, even when elected, will be serving in two capacities.

Senator HATFIELD. Don't you think basically the argument boils down to whether or not in the case of Puerto Rico they were given the power to adopt their own constitution and create their own form of self-government, where under this situation we have not empowered the people of the Virgin Islands or Guam to adopt their own constitution?

We are setting that up for them. Should we back up and address ourselves to the proposition of providing the people of the Virgin Islands and Guam the opportunity to set up their own constitution? That would dissolve this situation we are involved in now.

Senator CHURCH. I concur we could approach the question of self-government in the Virgin Islands and Guam in that manner but whether we approach it in that manner or confer self-government by act of Congress, the basic question in either case is whether or not the people of the islands can be entrusted with a full measure of self-government. We did, in fact, allow the people of Puerto Rico and Hawaii and Alaska when we conferred statehood—which is a different form of self-government under the Constitution—that full measure. Are we now going to use an act which confers upon the people the right to elect a Governor and which we declare to the world is another step toward self-government and within the framework of that act, to actually enlarge the powers of the President?

This, I think, is the effect of the amendments the administration proposes. I think we can go one way or the other but we can't go both and it seems the amendments proposed by the administration are a step backward in the direction of colonialism.

Nothing this witness has said, with due respect to all his ability, nothing he has said in any way suggests to me that this is not what is being proposed.

Senator HATFIELD. May I interrupt one more time? Don't you think, when, we are talking in terms of true self-government, that we have to start with the fundamental document that sets up a form of self-government and that, in our system of thinking, is a constitution? What ever we do in an organic act is still a bestowal of a lesser form of self-government.

In the Puerto Rico situation we started by giving authority for them to create their own self-government document, namely, the constitution.

I don't think we are in a dichotomy here, necessarily. I think we are basically enmeshed in a different type of structure from which we began this action for giving more self-government. We cannot really say any kind of act we devise here will be a true bestowal of self-government unless it includes the power to include that organic thing we call a constitution.

Senator CHURCH. I agree with this completely and if we were going to confer statehood on the Virgin Islands or Guam, we would have to proceed in the other matter, without question.

Senator HATFIELD. Or as a commonwealth.

Senator CHURCH. Insofar as Puerto Rico gives us precedence, that would be the way to proceed.

Having granted that point completely and also having emphasized that through this organic act the residual power remains in the Congress as it is within the power of Congress to take away that which it gives if, in fact, it becomes necessary or desirable to do so, this is quite different from the State constitution situation. The purpose of this act is to confer a larger measure of self-government, not less.

The objection I have to these amendments is, in my judgment, we are actually conferring less under the guise of conferring more.

Senator BURDICK. Mr. Seidman, it boils down to this: Is it necessary, as my colleagues have just referred to, under the aegis of further self-government to grant to the Virgin Islands and of Guam the right to elect their own government and then give this power of veto to the President over legislative acts and over the Governor? Don't

you think all the national interests involved can be adequately taken care of by the Congress?

Mr. SEIDMAN. I do not think so. There are certainly circumstances at times when Congress is not in session.

Senator BURDICK. When is that?

Mr. SEIDMAN. I think some time from November to January, although the law does say, I guess, July 15. That is not realistic. There may be circumstances where certainly quick and swift action is needed.

Secondly, this relates to continuing responsibilities both of the President and the Congress. This concerns me under the Constitution. We have two branches of Government with specific authority in the area of national security and foreign relations of the United States.

I might say the Constitution does specify in detail the dual role applying to States with respect to local government. As I say, this is reserve authority; there is a responsibility left under this bill which will remain both with the President and Congress, with the Federal Government as a whole.

I think it is a principle of administration. Where there is responsibility there should be authority.

We are talking here of basically reserve authority and certainly not less self-government than what they have today. The President can now direct the Governor of Guam or the Virgin Islands as Federal officials.

They are regarded as Federal officials. This situation existed in Hawaii and Alaska prior to statehood. This is a considerable step forward in self-government in providing for the election of Governors.

Senator BURDICK. Do you think merely because the Congress is not in session for 1 or 2 months a year that that is a serious impediment to the supervision by Congress?

Mr. SEIDMAN. I don't think the Congress is an executive body. Under the Constitution the one who is charged with the responsibility of seeing that the law is enforced is the President.

Senator BURDICK. The power you are conferring on the President is only if these are unusual or extraordinary circumstances.

Mr. SEIDMAN. No, I am saying the authority to remove officials—

Senator BURDICK. I should say the President could use those powers only in extraordinary situations.

Mr. SEIDMAN. That is right. I don't think we have many elected officials within the Federal structure. This is only if we have unusual situations that require remedies which are without precedents.

Senator BURDICK. Don't you think, if we saw something going on out there in the Pacific—which is highly unlikely, they are the most patriotic people, also the people of the Virgin Islands—that this committee would move on it?

Mr. SEIDMAN. Yes, and so would the President. I can envision, regardless of the language we put in this law, that the President or Congress would act.

Senator CHURCH. Then why should we put this language in the law?

Mr. SEIDMAN. If this is our intention, it should be expressed.

Senator CHURCH. Does the President have the power to remove the Governor of Arkansas?

Mr. SEIDMAN. No.

Senator CHURCH. Did that interfere with the power of the President to send troops to Little Rock when he felt the national security and peace and security of the Nation required it?

Mr. SEIDMAN. That was not national security, that was Federal law.

Senator CHURCH. Do you think, if we pass this bill without giving power to the President to remove the Governor or the veto law in Guam and the Virgin Islands, that that would deny the power to the President to do what he did in Arkansas?

Mr. SEIDMAN. I would say no, there is no analogy between Arkansas and the Virgin Islands or Guam.

Senator CHURCH. I have given you the best possible advantage of the argument and you have admitted that the President would have at least as much power to do in a territory what he can do in a sovereign State.

Mr. SEIDMAN. Yes, I agree, but here the territorial Governor would have authority which a State Governor does not have.

Senator CHURCH. Will you indicate to me—I think this is a kind of sophistry we are engaged in—where, in the case of the Virgin Islands, for example, we have had any problem of control of legislative power invested in the legislature?

That has gone on for 50 years, a half century. Can you cite some examples where it has been necessary for the President of the United States to veto a bill of the Virgin Islands Legislature because it constituted a threat to the interests of the national security or interfered with the foreign policy of the United States?

Mr. SEIDMAN. No, but I can cite here examples where the President did sustain a veto.

Senator CHURCH. That is entirely different. What you are asking for is special power for the President to have in order to prevent the territorial government from intruding on the foreign policy or the national interests of the United States.

Mr. SEIDMAN. No, you don't have to have a precedent because the Governors of the Virgin Islands and Guam were subject to direction by the President.

If there was such a bill, they could be so directed. We still have put provisions in Federal law conferring on the Congress the right to annul acts of territorial legislatures. I know of no instance where that has been exercised but it does not mean we would recommend that authority be retained.

Senator CHURCH. For 50 years the Virgin Islands have had the right to legislate and you can't cite a single instance where it was necessary for the Federal power to be used to undo an act of that legislature that affects the foreign policy or national interest of the United States.

Mr. SEIDMAN. On the same basis that the Congress has a right to annul that it never exercised.

Senator CHURCH. Under the Constitution we have established that the plenary authority of the Federal Government to act lies in Congress.

You are speaking of the Federal powers of the President. You can't cite a single instance where it is necessary for the President to have those powers, yet you say it is the same as Congress and I don't agree.

Until we reach the point where we grant statehood to these territories and establish a second constitution and bring them into the

Union as sovereign entities, the plenary or residual authority will rest with the Congress.

That does not mean we should confer powers to the President when 50 years of actual operation show we do not need to do that.

Mr. SEIDMAN. History changes.

What may have been true in the past 50 years may not be true 50 years in the future.

Senator CHURCH. If we can't trust these people with self-government and give them the same rights that we confer on other American citizens, clearly in areas that are much more vital to the national security and much more important in size and consequence, then I think we should not pretend to be doing it.

I think we either broaden self-government or hold the line, or back away from it. I recall reading about the time when we went into Puerto Rico more than 50 years ago, the father of Munoz Marin had secured from the Spanish Government, after a long period of negotiations, full powers of self-government for the people of Puerto Rico.

The only thing that was retained by Spain was the right of defense of the islands and the conduct of foreign relations.

That was just before American troops arrived to liberate the islands and whereupon we reimposed complete colonial rule that lasted nearly half a century.

We have a very spotty record where colonialism is concerned. We like to say we have always done the right thing. Sometimes we have, I am glad to say. Sometimes we have not. It is a spotty record and your proposals are an illustration of a step backward toward colonialism and not a step forward toward self-government. They are contrary to the American system.

Mr. SEIDMAN. I would like to make the record clear, in response to what Senator Church has said. Certainly I don't think the issue here is trust in the people of the Virgin Islands and Guam.

We certainly share with the members of this committee their trust in them and support this bill because we think they are fully capable of managing their affairs and local self-government.

I don't think that is at issue or that it should stand in the record. If there is any disagreement on this, we are talking about questions that go beyond local self-government. What we are talking about are basically Federal matters and this is a different kind of issue which does not relate to trust and confidence in the people of these two territories to manage their local affairs.

Senator CHURCH. I don't see how you can possibly separate the two when you advocate the President be authorized to veto local legislation. If you say that has nothing to do with having confidence in these people, I don't follow the argument. If we are to move along in a fashion considered to be best for this Government, then your proposal is contrary to it.

Mr. SEIDMAN. Under the bill before you the two territories will both have a Federal and local responsibility. They are not States with the privileges and limitations under the U. S. Constitution.

In that respect, after enactment of these bills we are recommending, the authority will be under the President. I think the legislative history should make clear, if the language could be made tighter, we regard this as a basic or reserve authority which would only be used at times when urgently required.

Senator CHURCH. Mr. Chairman, I think the basic facts have been brought out on the record. I only want to say, if this bill is amended as proposed by the administration, I will oppose it as vigorously as I can on the floor of the Senate, and do everything I can to defeat it because I don't think, as the amendments are written, this would, in fact, enlarge the power of self-government.

I agree with the Legislature of Guam when it says:

Do nothing rather than do this. If this is what you propose to do, do nothing, leave us in our present status quo.

And I understand their feelings.

If I were out there in Guam I would feel precisely the same way. I think this is reflective of the most unfortunate period in our relationship to the government of territorial peoples.

I am reminded by the staff that when we went into Puerto Rico to liberate that island, they not only had powers of self-government but even had representation in Madrid. It has taken a long time to come back full circle to the point where we have given them a measure of self-government. I would hope we would not take a step backward where these people are concerned in the Virgin Islands and Guam.

Senator BURDICK. Senator Hatfield?

Senator HATFIELD. Is there any information, or are there other matters that would be better discussed in executive session of this committee, so far as you are concerned?

Mr. SEIDMAN. I don't think there are matters of that kind, Senator Hatfield. I think we can all envisage situations, with what has happened in the world in which we live, but I do not want to leave the impression there is any underlying reason we are discussing this other than the underlying principle that there is continued Federal responsibility.

Senator HATFIELD. Do you feel reasonably comfortable you have said everything you want to say?

Mr. SEIDMAN. Yes, I think I have had a full hearing.

Senator CHURCH. Full and spirited.

Mr. SEIDMAN. Yes.

Senator CHURCH. I want to commend you for your testimony and express my appreciation for your coming here this morning.

The chairman will be back in a moment or two but if there are no further questions, thank you, sir.

We would like next to hear from the Governor of Guam, The Honorable Manuel F. L. Guerrero.

Governor, I know you and Senator Hatfield are old friends and he has indicated he would like to say a word of welcome to you before you give your testimony.

Senator HATFIELD. I appreciate this. I have some conflict in my schedule this morning, Governor, but I wanted to be here to say to you it is nice to see you again and to tell you how much I enjoyed our association at the Governors conferences.

My interest in Guam and its future has been greatly enhanced by my contact with you and we are happy to have you here in Washington.

Governor GUERRERO. Thank you.

Senator BURDICK. You may proceed.

STATEMENT OF HON. MANUEL F. L. GUERRERO, GOVERNOR
OF GUAM

Governor GUERRERO. I have a prepared statement regarding bill S. 449. This is in answer to the letter of Chairman Jackson dated March 29, 1967. I would like to read it.

Mr. Chairman, members of the committee, I am pleased to once again have the privilege of appearing before you in support of legislation providing for the popular election of the Governor of Guam.

I think that, in view of my previous appearances, committee members are well aware of my position on this measure and there is no need to again take up your time by repeating it.

Briefly, I feel Guam has progressed steadily since passage of the Organic Act, fully justifying the faith shown by Congress. I am convinced that we are ready for this further step in self-government.

In answer to the chairman's letter of March 29, in which he asked for my position, I would like to state that my only objection to the bill in its present form is that provision calling for the appointment of a Government comptroller by the Secretary of the Interior.

While I appreciate the need for closer control over Federal funds under an elective Governor, I don't think a comptroller is warranted, as this would amount, in effect, to a second Governor of Guam. In my opinion, the powers granted the comptroller in the bill constitute excessive control over our local affairs.

As an alternative I would welcome an annual audit as well as a management study by any department or agency of the Federal Government with the findings reported directly to Congress.

The Government of Guam Code now provides for an annual independent audit of all the government's accounts and financial transactions. The auditing firm provides a full financial statement plus a management review criticizing questionable practices and suggesting improved procedures.

I am certain the Federal interest would be adequately protected if this function were taken over by some Federal authority; not necessarily the General Accounting Office.

I appeal to the committee to give us the opportunity to manage our own financial affairs at this point. If the annual audit by a Federal agency should show mismanagement or misappropriation, or otherwise indicate the need for a Federal comptroller, I am certain there would be no hesitancy, on the part of either the Governor's office or the legislature, to accept the comptroller on Guam.

Speaking of fiscal responsibility, I might add that the Guam Legislature, in special session, has just passed several new tax measures that are expected to increase our revenue by \$3,484,275 annually. Passage came in the face of considerable agitation against a tax boost. This \$3 million involves a lot of money.

I have no objection to the Bureau of the Budget's proposed amendment providing that the President may remove the elected Governor when he deems it necessary to protect the security, foreign relations, or property interests of the United States.

Senator CHURCH. May I ask, is it your understanding you are presently subject to removal by the President at the President's pleasure?

Governor GUERRERO. Yes.

Senator CHURCH. At any time, say, tomorrow?

Governor GUERRERO. This is my understanding. While this would create a unique situation, I have no fear of a Chief Executive abusing such authority, and thus I don't see that it jeopardizes, or lessens, responsible self-government on Guam.

I do have reservations about the Bureau of the Budget amendment giving the President the authority to veto any law passed by the Guam Legislature, if, once again, he deems it necessary to protect the security, foreign relations, or property interests of the United States. This safeguard already is in the hands of Congress under Guam's Organic Act. Congress has the authority to annul any law passed by the Guam Legislature within 1 year of its receipt by Congress. I see no reason to transfer this authority or to give this authority to both the President and Congress. It would burden the President to review the many laws passed by the Guam Legislature, most of which have only local significance.

Congress is the supreme lawmaking body. Guam's Organic Act is a creature of Congress, and I think it follows that Congress is the proper place for authority to annul laws passed in Guam.

Thank you for the opportunity to express my views. I will be happy to answer any questions.

Senator BURDICK. You say, "I am certain the Federal interest could be adequately protected if this function were taken over by some Federal authority—not necessarily the General Accounting Office."

It is my understanding the GAO does not do what we call original bookkeeping. Their functions are more supervisory in auditing. What other agency would you have in mind?

Governor GUERRERO. The Department of the Interior can be given the authority to audit the books of Guam annually and report directly to you or to the departments of the Federal Government.

Senator BURDICK. I am sure you are aware there is a comptroller of the Virgin Islands?

Governor GUERRERO. Yes.

Senator BURDICK. What would be the difference in a comptroller of Guam?

Governor GUERRERO. At this moment we have no comptroller in Guam furnished by the Federal Government. The Organic Act of Guam does not provide for a comptroller and we hope to keep it that way. Why the Virgin Islands Organic Act provided for a comptroller I am not aware of.

Senator BURDICK. I am trying to find out why the difference. Did it concern the size of the operation, or what?

Governor GUERRERO. I do not know.

Senator CHURCH. I take it from your testimony you are against the giving of the authority to the President to veto any law passed by the Guam Legislature?

Governor GUERRERO. Yes.

Senator CHURCH. If that veto authority were conferred on the President, wouldn't it be absolute? It would not be possible for the Legislature of Guam to override the President's veto with a two-thirds vote.

Governor GUERRERO. I think, according to the letter the chairman furnished me, the President's veto is final.

Senator CHURCH. We would be conferring, if we went along with the recommendations of the Bureau of the Budget, the authority Guam has under the Constitution by the act of Congress, isn't that true?

Governor GUERRERO. Yes, sir.

Senator CHURCH. Those are all the questions I have.

Senator BURDICK. I believe your legislature objects not only to the veto power over legislation but also objects to the removal powers granted to the President?

Governor GUERRERO. Yes; this is according to their resolution passed recently.

Senator BURDICK. I think we will recall you in a little while when it comes to your nomination, but to keep the record in order, we will have you step down for a few minutes.

Secretary Anderson.

**STATEMENT OF HARRY R. ANDERSON, ASSISTANT SECRETARY
FOR PUBLIC LAND MANAGEMENT, DEPARTMENT OF THE
INTERIOR**

Mr. ANDERSON. Senator Burdick and members of the committee, I am Harry R. Anderson and I am accompanied by Mrs. Ruth Van Cleve. I have a prepared statement which I would like to present.

Mr. Chairman and members of the committee, we appreciate this further opportunity to express our views on matters now before the committee in connection with S. 449 and S. 450.

We will address ourselves to the kind of Federal comptroller that we believe should be created for Guam and, because we believe circumstances are similar, we recommend like consideration for the Virgin Islands.

By letter of March 17, 1967, we presented to the committee our views on the subject of a Federal comptroller for Guam. We suggested further that if a comptroller such as we propose is created for Guam, then changes should be made in the existing law providing for the Federal comptroller in the Virgin Islands.

In our letter we provided specific amendments to both S. 449 and S. 450, which, if adopted, would accomplish our suggestions. We note that "Committee Print 2" of each of those bills contains the language we have suggested.

Our view briefly is this: If there is to be a Federal comptroller for Guam, the office and the function should clearly and unmistakably be subject to the meaningful control and supervision of the executive department of the Government and reports made to the Congress.

Since we have had a Federal comptroller in the Virgin Islands for many years, we are able to speak from experience. We believe we can evaluate the effect that provision for a popularly elected Governor will have on the existing arrangement in the Virgin Islands.

Once provision has been made for an elective Governor for Guam and the Virgin Islands and popularly elected Governors have assumed the executive responsibility, the influence and the degree of control that the Federal Establishment has been able to exercise through the federally appointed Governor will be greatly diminished.

As we point out in our letter, the Virgin Islands comptroller today is a semiautonomous office. This is not said in a derogatory way.

It is a fact of life brought about by a 10-year term, special salary provisions, and tenure subject only to removal for cause.

I believe I have an error in my prepared statement with respect to special salary provisions, I believe the comptroller is subject to the Special Classifications Act and there is no special salary provision.

This feature of the Virgin Islands Comptroller's Office has not been troublesome, however, as we have had an avenue of approach through the Governor. But when that avenue is closed to us, as we have indicated it will be when the federally appointed Governor is replaced by a popularly elected Governor, we do not believe the Congress or the executive branch can be as effectively served, nor do we believe we can discharge our responsibilities in connection with the Federal interests through a semiautonomous comptroller.

We do not believe we can then operate under an arrangement which verges on responsibility without control. We would, therefore, not like to see the "Virgin Islands arrangement," duplicated for Guam.

In addition, since we believe that Congress will continue to look to the Department of the Interior as the responsible agency insofar as civilian Federal interests and responsibilities in Guam and the Virgin Islands are concerned, we believe that the control and supervision of the comptroller must, of necessity, be vested in the Secretary of the Interior.

Finally, because the two territories are so similar in many ways, we believe that the provisions for a Federal comptroller for each of them should be as nearly identical as possible, taking into consideration any specific differences that might require a difference in duties or responsibilities. Only one real difference exists. The Virgin Islands Organic Act requires a certification of local revenue by the comptroller in connection with the return to the Virgin Islands of certain revenues. That provision is not required for Guam, and it does not warrant different treatment of the comptroller. To the extent that the requirements are similar, it will facilitate the administration and supervision of the activity in each of the areas.

We urge that the committee give favorable consideration to the amendments we have proposed. It is our sincere belief that our amendments will provide a procedure which will meet the needs of the Congress and the executive branch by assuring the continuing recognition of the Federal interests in Guam and the Virgin Islands, and by seeing that those interests are protected to the extent required.

We also believe that our recommendation will provide a system of guidance and assistance which will be of substantial value to the territorial governments in their continuing development.

Senator BURDICK. Mr. Secretary, do you think this comptroller would impinge upon any of the domestic or local functions of either of these islands?

Mr. ANDERSON. No, I don't see where it would. This would be fiscal auditing with respect to the expenditure of funds.

Senator BURDICK. His duties would be purely bookkeeping?

Mr. ANDERSON. No, they would be more than bookkeeping. What we need is an external audit of the transactions. Now the initial auditing, as far as audit for the propriety of paying claims and things of that type, would still be as it is now, accomplished by the local government.

What we would have with this comptroller would be an external audit, auditing the management in the overall fiscal operations and the propriety of spending the Federal funds in the area.

Senator BURDICK. What I am trying to get at, is there any possibility of this comptroller bringing his weight to bear, so to speak, upon the policies of the islands? Would he have any influence on legislative acts?

Mr. ANDERSON. I don't feel he should have any influence on legislative acts. Of course, an auditor, in making audits and commenting on transactions, will naturally get into management and the operations of an organization but not any more than an auditor normally does in auditing activities of a State organization or a Federal organization.

Senator BURDICK. Senator Church.

Senator CHURCH. When this bill was before the Senate last year, the Interior Department did not propose any amendment comparable to either of the amendments that have now been proposed by the Bureau of the Budget; is that right?

Mr. ANDERSON. Senator Church, you are referring to removal by the President and annulling of legislative acts?

Senator CHURCH. Yes.

Mr. ANDERSON. As I recall, Mrs. Van Cleve reminds me our report at that time did contain the budget amendments. I believe that was with reference to the removal of the Governor. I don't recall it with respect to annulling or vetoing the local legislature.

Senator CHURCH. These amendments then and now were proposals of the Bureau of the Budget?

Mr. ANDERSON. These relate to the executive branch of the Government, that is right.

Senator CHURCH. Emanating from the Bureau of the Budget?

Mr. ANDERSON. It is the administration's position.

Senator CHURCH. With which you now concur?

Mr. ANDERSON. Mr. Chairman, we made our comments with respect to the two bills and the administration has now made subsequent recommendations and this is the position of the administration.

Senator CHURCH. What does the Bureau of the Budget have to do with foreign policy that it should be so concerned with protecting foreign policy prerogatives? Do you know what connection the Bureau of the Budget has to do with the conduct of foreign policy?

Mr. ANDERSON. Mr. Seidman's comments reflect the position of the administration and that of the executive branch.

Senator CHURCH. I know you are part of the executive branch and I wonder if you could tell me what special connection the Bureau of the Budget has with the conduct of the foreign policy?

Mr. ANDERSON. I am not in a position to answer that, Senator Church.

Senator CHURCH. You would not be in a position to answer what special relationship the Bureau of the Budget has to military policy or considerations relating to the national defense? Do you know of any special authority that the Bureau of the Budget has in that field, other than, of course, the budget?

Mr. ANDERSON. Other than the Bureau of the Budget as an arm of the Executive Office and not strictly a bureau's recommendation, it is the executive branch of the Government's relationship.

Senator CHURCH. No further questions, Mr. Chairman.

Senator BURDICK. Senator Allott.

Senator ALLOTT. We have been trying to resolve this question and I must apologize for not being in earlier but I still had one committee that I had to attend to this morning. I am sure you understand that.

As I understand your position you are here presenting the executive branch's view of this bill; is that right?

Mr. ANDERSON. Senator Allott, I am here representing the executive branch's view of recommendations or views concerning the comptroller.

Mr. Seidman was here earlier and presented the administration's view of removal of the Governor by the President and with respect to the power to annul acts of the local legislature.

Senator ALLOTT. A question was asked by my good friend Senator Church with respect to what you might have to do with foreign relations and things of that sort. It is a fact that both Guam and the Virgin Islands are very heavily subsidized by the United States, are they not?

Mr. ANDERSON. They are subsidized—in the case of the Virgin Islands on the rum tax and in the case of both territories with respect to the Federal income tax, collecting the return with respect to the respective territories.

Senator ALLOTT. That is all I have. Thank you.

Senator BURDICK. That is all I have. Thank you, sir.

Mr. Antonio B. Won Pat.

STATEMENT OF ANTONIO B. WON PAT, GUAM'S REPRESENTATIVE IN WASHINGTON, D.C.

Mr. WON PAT. Thank you, Mr. Chairman.

Senator BURDICK. Mr. Won Pat, we are delighted to have you here.

Mr. WON PAT. Senator Burdick, Senator Church, Senator Allott, I bring the greetings of the people of Guam to you.

Mr. Chairman and members of the committee, as the elected representative of the people of Guam in our Nation's Capital, I appreciate the opportunity and privilege of appearing before this committee to express our views with respect to the controllership provision of the bill and the recommendation of the Bureau of the Budget to provide for the removal of the elected Governor and to veto acts of the legislature by the President.

The people of Guam do not understand the need for a permanent Federal comptroller or auditor to be stationed in Guam to oversee on a continuing basis the expenditures of both Federal and local funds.

Although a Federal officer, responsible only to the Department of Interior, this comptroller would have to oversee the expenditures of local funds, since it would be difficult if not impossible to separate operations supported by purely Federal funds from those supported purely by local funds.

In fact, Federal-territorial funds are comingled in the great bulk of local operations.

Previously I have pointed out that, with respect to Puerto Rico even before Commonwealth status, a provision in the Puerto Rico elective Governor bill of the 80th Congress in 1947 would have created the Office of Coordinator of Federal Activities in Puerto Rico.

Some of the proposed duties of this official would have been similar to those now proposed for the government comptroller of Guam.

The coordinator's office never was filled in Puerto Rico, and the provision of the law creating it was repealed in connection with the establishment of the Commonwealth 4 years later.

My point is that an officer such as is now proposed for Guam was not deemed necessary for Puerto Rico 20 years ago and history has shown that it was, in fact, not necessary.

Far greater sums of Federal moneys are involved in the case of Puerto Rico with its 2½ million population and freedom from Federal income taxation than are or would be involved in the case of Guam. Why then is Guam to be made subject to Federal controls more stringent than those deemed necessary for Puerto Rico?

We might note that in fiscal year 1965, whereas Guam received approximately \$13 million—including typhoon relief and Guam rehabilitation funds—in Federal funds to support its operations, Alaska received \$113 million in Federal funds to support its State and local government operations. Thus Alaska, with its approximately 250,000 population as contrasted with Guam's approximately 57,000—excluding military and its dependents—a ratio of 5 to 1, received almost 10 times as much Federal funds.

Our calculations indicate further that \$90 million of the \$113 million Federal funds received by Alaska went for the performance of purely State government operations as contrasted with the \$68 million raised by Alaska from local sources for such State government operations.

Yet, and rightly so, there is no disposition to place in Alaska a Federal auditor to perform what amounts to a perpetual audit of the State government operations.

These statistics are taken from table 582, page 424, Statistical Abstract of the United States, 1966.

Does the label "territory" applied to a form of American government operated by a group of U.S. citizens mean that such citizens are less responsible financially and less capable, from the management viewpoint, than a group of U.S. citizens who operate a form of American government labeled "Commonwealth" or "State"?

However, the people of Guam feel even more strongly about the recommendations of the Bureau of the Budget, in its report of March 3, 1967, on S. 449, that the bill be amended to give the President authority to remove, summarily, the Governor chosen by the people and that his power to veto acts of our popularly elected legislature be extended.

Mr. Chairman and members of the committee, the people of Guam would consider enactment of either of these proposed amendments a backward step in the development of local self-government for Guam. Adoption by your committee and approval by Congress would even be contrary to the spirit of the Organic Act of 1950, and of what we hope is the trend toward greater self-reliance and greater responsibility for the offshore dependencies of the United States.

Assistant Director Rommel's letter gives as the reason for these retrogressive steps the need to retain the capability of the President to discharge effectively his responsibilities within the territory. Mr. Rommel lists these responsibilities as, "foreign policy, national security, Federal property, and other matters significantly affecting the interests of the United States."

Mr. Chairman, extensive thought and painstaking research fail to show us why any of those interests require the summary powers requested by the Bureau of the Budget.

By no conceivable stretch of the imagination would a Governor elected under S. 449 have any voice whatever in the foreign policy of the United States, any more than do the elected Governors of the States you distinguished gentlemen represent. No foreign nation could, or would, recognize the Governor of Guam as a spokesman for the United States of America in foreign relations.

As to national security, the President has and would continue to have all the rights, all the authority, all the power he now has to take whatever steps might be necessary for the security of the United States. Such steps include, but are not limited to, a declaration of martial law on Guam. The President could assert the paramount authority of the Federal Government on Guam even more readily than he could in, say, the State of Washington or the State of North Dakota, if national security required such action.

Authority to remove a locally elected official, such as proposed by the Bureau of the Budget, would neither increase nor diminish the supreme powers of the President of the United States as Commander in Chief to safeguard our national security.

As to Federal property, its protection and disposition are wholly beyond and outside the powers of the Governor of Guam, whether appointed or elected. The responsibilities of protecting Federal property and the means and procedures for its disposition, would continue to be as they now are the subject of well defined Federal law. Making our elective Governor subject to removal at the whim of the President would neither enhance nor diminish these responsibilities.

Mr. Chairman, forgive me if I advert once again to the clear-cut precedent of Puerto Rico. In 1947 the 80th Congress enacted an elective Governor bill for Puerto Rico without the provision for the summary removal of one elective official by another elective official at his whim.

I mean no reflection whatever on our fellow citizens of Puerto Rico when I point out that, politically, Puerto Rico could be regarded as a more divided and unstable area than Guam.

We do not have an Independence Party, for example. More important, when Governor Muñoz appeared before this committee in 1959 to support a bill for drastic, far-reaching amendments to the Puerto Rico Federal Relations Act, he conceded that only about one-third of the people of Puerto Rico had a working knowledge of English. On Guam, the language is English; English is the language of our schools, our courts, our newspapers, our legislation. Yet in the 20 years since enactment of the Puerto Rico elective Governor bill, not a single instance has arisen in which exercise of the power of summary removal by the President would have been justified had such power existed.

If the security and interests of the Federal Government were not jeopardized in 1947 by granting to the people of Puerto Rico the right to elect their own Governor without being subject to the whim of the President, why would the security and interests of the Federal Government be jeopardized by granting equal treatment to the people of Guam in 1967? Or, for that matter, in 1971?

On the battlefields of our own island as well as in Vietnam we have given the ultimate proof of our loyalty to our country.

In conclusion, Mr. Chairman your elective Governor bill should not create two classes of American citizens, giving us the right to elect as our officers only those persons who might be pleasing to people in Washington. Such an amendment would render the elective Governor bill meaningless; and be a backward step for all of us, in our own eyes and in the eyes of the world.

Thank you.

Senator BURDICK. Senator Church.

Senator CHURCH. I want to commend you for an excellent statement. The conclusion, I think, inescapably follows, if the Congress were to see fit to adopt the amendments proposed by the Bureau of the Budget, when you say these amendments would render the elective Governor bill meaningless and be a backward step for all of us in our own eyes and the eyes of the world.

I could not agree with you more.

If we are going to confer these additional control powers on the President, how objectionable it is to do it under the guise of a bill that purports to enlarge the powers of self-government. Wouldn't you agree with that?

Mr. WON PAT. Yes, sir. I want to say also at this time, sir, that I have here communications from the legislature written by the Speaker and also from the President of the District Government Council on Guam and, if there is no objection, I would like to read these for the record.

First I will read the telegram:

To: A. B. Won Pat, Guam Washington Representative:

Guam elected Commissioners wish to register their opposition to the proposed amendments to the elected governorship bill relative to providing that the President may annul any law passed by the Guam legislature and removal of the elected governor as well as a provision setting up a federal controller. A resolution is airmailed to you this date.

JESUS S. CAMACHO,
President, District Government Council, Guam.

Here is the Ninth Guam Legislature resolution which I will read to you.

Senator BURDICK. Mr. Won Pat, the resolution has already been received and put in the record.

Mr. WON PAT. This is a letter from the President.

Senator BURDICK. We have one resolution in the record now.

Mr. WON PAT. May I read the letter?

Senator BURDICK. Proceed.

Mr. WON PAT. It reads:

NINTH GUAM LEGISLATURE,
April 22, 1967.

Re Guam Elective Governorship Bill (S. 449)

SIR: I am informed that your committee has scheduled a hearing for April 26, 1967, to take additional testimony on S. 449, Guam Elective Governorship Bill and in connection therewith, I am transmitting Resolution 180 and Resolution 188, unanimously adopted by the Ninth Guam Legislature, with the request that the same, together with this letter, be made a part of the Committee's record on this measure. "Resolution 180 reflects the position of the Legislature with reference to the establishment of a Federal Comptroller for Guam, and Resolution 188 indicates the position of the Legislature in connection with the Bureau of the Budget proposals that S. 449 be amended to:

(1) Grant the President the power to remove the Governor and to

(2) Give the President the power to annul any law of Guam within sixty (60) days after enactment.

If any such provision is made a part of the proposed Elective Governorship Bill, we respectfully suggest and request that the Congress withhold any action on any proposal for a pseudo elective governor for Guam until such time as the Congress finds that it has the trust and confidence in the people of Guam to elect their own chief executive.

In the meantime but certainly not in lieu of an Elective Governorship bill for Guam, I respectfully request the Congress to make available funds to assist the Government of Guam in the construction of school buildings and facilities for the school children of Guam including dependents of the ever increasing military and civil service personnel.

Senator CHURCH. May I ask one question?

Senator BURDICK. Yes, sir.

Senator CHURCH. Do I understand it to be the position of the Guam Legislature that as between a bill of this character, amended as the Bureau of the Budget recommends and no bill at all, the legislature would prefer no bill?

Mr. WON PAT. I think they prefer the status quo, no bill at all.

Senator BURDICK. Mr. Allott?

Senator ALLOTT. No questions.

Senator BURDICK. That is all, sir.

Mr. WON PAT. Thank you, sir.

Senator BURDICK. We will place in the record the resolutions of the Ninth Guam Legislature previously referred to by the witnesses here today. Also a telegram which has been received.

(The documents referred to follow:)

RESOLUTION No. 180 (1-S) OF THE NINTH GUAM LEGISLATURE

Relative to respectfully advising the Congress of the United States that the people of Guam are opposed to those proposed provisions in the pending elected governorship legislation which would saddle the Government of Guam with an independent federal controller

Be it resolved by the Legislature of the Territory of Guam:

Whereas, the people of Guam were deeply gratified by the interest shown in both the United States Senate and the House of Representatives in legislation to give the territory of Guam an elected governor, the Senate Interior and Insular Affairs Committee having already given a public hearing to a bill to so provide Guam with the first elected chief executive in its history, and the Legislature is advised that the House Interior and Insular Affairs Committee will very shortly have a public hearing on similar measure, all of which bodes very well for the future of this legislation of such vital importance to the people of Guam; and

Whereas, the Ninth Guam Legislature has already gone on record as to its views on the proposed legislation, setting forth in some particularity its position with respect to length of term, date of election, impeachment or recall, and other provisions relating to desirable changes in the Organic Act, and in such statement (Resolution No. 87, Ninth Guam Legislature), the Legislature went on record in opposition to the proposal in the then introduced Senate bill which would set up a federal controller, independent of the Governor, who would report directly to the Secretary of the Interior and who would in effect be Washington's man in Agana, not answerable to the people of Guam in any way; and

Whereas, in response to the problem posed by this controller, which is, apparently, that the United States Government, when it loses its power of appointment of the Guam governor, wishes reassurance that the Government of Guam tax revenues, being to some degree an indirect federal contribution, are properly expended, the Ninth Guam Legislature enacted a statute, (Public Law 35, Ninth Guam Legislature) which authorized the auditing of all Government of Guam accounts by the United States General Accounting Office, the Legislature believing that by so putting the annual auditing function in a federal agency, under the direct control of

(1) Grant the President the power to remove the Governor and to

7-12-57

the United States Congress, the Congress could be reassured on an annual basis as to the propriety of Guam's fiscal policies and expenditures; and

Whereas, the Legislature has been advised that the proposed controllership provision, originally the idea of the Senate Committee on Interior and Insular Affairs has now been adopted by the House Committee with the result that such a provision is very likely to be contained in any final governorship legislation unless concerted opposition is expressed thereto: now, therefore, but it

Resolved, that the Ninth Guam Legislature does hereby on behalf of the people of Guam respectfully advise the United States Congress, and more particularly the Senate and House Committees on Interior and Insular Affairs, that the people of Guam are vigorously opposed to those provisions in the proposed governorship legislation which would set up a federal controller, independent of the Government of Guam, for the following reasons:

1. If the people of Guam are entitled to more self-government, the establishment of the federal controller over, not within, the framework of the Government of Guam, is a step backward from greater autonomy since such a position implies that the people of Guam are not to be trusted in the expenditures of public funds, this federal controller being analogous to the governor-general used in British colonies to keep the interest of the crown paramount;

2. Accordingly, the appointment of such a controller in the absence of any fiscal scandals in the history of the civilian government of Guam is unfair to the people of Guam and a reflection on their self-governing abilities in the absence of any evidence whatsoever that fiscal irresponsibility is a local vice;

3. The federal funds given to the Government of Guam in the way of matching funds devolving from various federal programs extended to the territory of Guam are properly accounted for under various departmental rules and regulations in the same way such funds are accounted for by other states and territories receiving federal funds, and, accordingly, no additional federal control is needed in connection with these funds, while the income taxes collected and paid into the treasury of Guam are not federal funds, strictly speaking since a large share thereof is collected by local officials and the balance is transferred into the Guam treasury where it comingled with locally raised revenue and not thereafter identifiable, and all these funds, since the enactment of the Organic Act in 1950, have been at the mercy of the locally elected legislature which under the said Organic Act has always held the purse strings of the local treasury so that if there had been any real need for a federal controller he should have been on the scene many years earlier, since the provision of a local elected governor will in no way change the control the locally elected legislature has and always had over these revenues, and thus the proposed provision of such a controller is a reflection on the local legislature and the local government that has little to do with the question of whether the chief executive be elected or appointed;

4. The account of the Government of Guam have been annually audited by outside accounting firm of national prominence, namely, Arthur, Young & Co., Ernst & Ernst, and now Peat, Marwick, Mitchell and Company, and an examination of these annual audits since civilian government was established will demonstrate that the Government of Guam has acted in a fiscally responsible manner since its establishment; the Guam Legislature has now made it possible for this annual audit to become a responsibility of the United States General Accounting Office so that Congress can keep itself directly advised of the continuance of this fiscal maturity, and thus if in the future the General Accounting Office advises Congress that the Government of Guam needs more direct supervision in its fiscal affairs, the people of Guam can then not object to the appointment of a federal controller since there would be proof that such is needed, such proof at this time being completely absent;

5. The Congress of the United States, as the constitutional third, coequal branch of our government, has always been very conscious of the desirability of preserving the separation of powers and has thus always kept the post audit functions of our national government, a legislative concern, strictly within the control of the Congress, and thus to inflict on the Guam Legislature an independent auditor outside of legislative control and direction seems contrary to the entire thrust and tradition of American constitutional government; and be it further

Resolved, that the Speaker certify to and the Legislative Secretary attest the adoption hereof and that copies of the same be thereafter transmitted to the Honorable Lyndon B. Johnson, President of the United States, to the Honorable Henry M. Jackson, Chairman, Senate Committee on Interior and Insular Affairs,

to the Honorable Wayne N. Aspinall, Chairman, House Committee on Interior and Insular Affairs, to Guam's Washington Representative, and to the Honorable Manuel F. L. Guerrero, Governor of Guam.

Duly and regularly adopted on the 7th day of April, 1967.

J. C. ARRIOLA,
Speaker.
F. T. RAMIREZ,
Legislative Secretary.

RESOLUTION No. 187 (1-S) OF THE NINTH GUAM LEGISLATURE

Relative to respectfully requesting the President of the United States and the Congress of the United States to put on notice the United Nations that Guam is not a non-self-governing dependency of the United States but a true part of the United States and as such is of no concern to that world organization, the people of Guam having freely and voluntarily associated themselves with the United States, accepting with gratitude American citizenship and participating with all other Americans in the life of the nation.

Be it resolved by the Legislature of the Territory of Guam:

Whereas, the territory of Guam was originally acquired by the United States as part of the war spoils generated by the Spanish-American War and thus was for many years a colony of the United States wherein the people had no voice in the administration of the island and played no part in the American commonwealth; and

Whereas, despite the lack of self-government and the colonial status of the island and its residents, the people, nevertheless, during the Second World War when the territory was occupied by forces hostile to the United States for almost three years, demonstrated a real knowledge of the ideals of American democracy and a true loyalty to the American nation, which loyalty was rewarded by the United States shortly after the end of the war by the grant of American citizenship and local self-government to the people of Guam; and

Whereas, despite this grant of citizenship and self-government, the people of Guam have been advised that the United Nations still considers Guam a non-self-governing dependency, i.e. a colony, of the United States and as such expects the United States to account to the United Nations as to Guam's progress toward independence, and since this motion of the United Nations that the people of Guam are somehow wards of the United Nations and not part of the United States is one highly repugnant to the people of Guam who have fought, bled, and died for the United States not as colonials under duress but as patriotic Americans; now therefore be it

Resolved, that the Ninth Guam Legislature does hereby on behalf of the people of Guam respectfully advise and request the President of the United States and the Congress of the United States to put on notice the United Nations that the territory of Guam is not a colony of the United States but is part of the American commonwealth and that, accordingly, the United Nations has no jurisdiction over, nor any legitimate interest in the internal affairs of Guam or in its relations with the rest of the United States, the facts upon which such notice should be based being, among others, the following:

1. That the grant of U.S. Citizenship to the residents of Guam was long requested by the people of Guam prior to its actual extension and that therefore this U.S. citizenship was a free choice of the people of Guam and not given against their wishes;

2. That as citizens of the United States, the people of Guam can travel freely anywhere else within the United States as can any other citizen and can obtain passports to travel elsewhere in the world, again as freely as other American citizens; that, accordingly, a large number of locally born citizens no longer reside in Guam but elsewhere in the United States where they, like all other citizens, vote in national and federal elections and otherwise fully participate in the life of the Nation;

3. That although the residents of Guam, while living in Guam, cannot vote in national elections, for years neither could the residents of Washington, D.C., and neither can expatriate Americans living overseas who maintain no stateside residence, and thus the lack of a vote in a national election does not mean that the people of Guam are any less U.S. citizens than the others who can vote;

4. That although the people of Guam do not presently elect their chief executive, neither do the people of Washington, D.C., and in any event legislation is

now pending which will undoubtedly soon give Guam the right to choose its own chief executive;

5. That the community of Guam has per capita lost more of its men in the Vietnam Conflict than any other American community, and this fact is a source of great pride to the people of Guam, whose young men have volunteered in large numbers to join the American Armed Services, hardly the action of a colonial people, but instead the expression of patriotic Americans desiring to help defend not their colonial master but their own country; and be it further

Resolved, that the people of Guam do further state that although for the foregoing reasons they deny any jurisdiction of the United Nations over Guam, they nevertheless are willing to clear this matter up for all time by submitting the question to a local referendum if such be the desire of the Congress or the President, although for the compelling reasons stated hereinbefore, in the opinion of the people of Guam such a referendum is not only unnecessary but to a considerable degree insulting to the memory of the countless Guamanians who have died for their country, the United States of America; and be it further

Resolved, that the Speaker certify to and the Legislative Secretary attest the adoption hereof and that copies of the same be thereafter transmitted to the Honorable Lyndon B. Johnson, President of the United States, to the Honorable Hubert Humphrey, President of the Senate, to the Honorable John McCormack, Speaker of the House of Representatives, to the Honorable Arthur Goldberg, United States Delegate to the United Nations, to the Honorable Henry M. Jackson, Chairman, Senate Committee on Interior and Insular Affairs, to the Honorable Wayne N. Aspinall, Chairman, House Committee on Interior and Insular Affairs Committee, to the Honorable A. B. WonPat, Guam's Washington Representative, and to the Honorable Manuel F. L. Guerrero, Governor of Guam.

Duly and regularly adopted on the 7th day of April 1967.

"F. T. RAMIREZ,
"Legislative Secretary.
"J. C. ARRIOLA,
"Speaker."

RESOLUTION OF THE DISTRICT GOVERNMENT COUNCIL OF GUAM

Whereas, the District Government Council was established by Executive Order No. 12-59, dated the 15th day of July 1959, composed of all the elected Commissioners of Guam, ex officio; and

Whereas, approximately 16 years ago the Congress and President of the United States deemed it fitting and proper, as a result of the recognition of the political maturity of the people of Guam, to grant the Guamanian people a limited civil autonomy by passage of the Organic Act of Guam, thus, the first giant step is taken in implanting democracy in this U.S. Territory, hence, the expression "Guam the Showcase of Democracy" is a common parlance; and

Whereas, there are much to be desired of this limited self-government and that throughout this short period both local and national leaders have manifested the same sentiments and realized the need to continue to strive for greater autonomy; and

Whereas, one of the basic tenets of political democracy is the privilege of popular and direct election of, in this particular instance, a Chief Executive or Governor of Guam; and

Whereas, both Houses of Congress and the President of the United States, himself, publicly made it known their keen interests to allow the territory of Guam to elect its Governor; and that as such, the people of Guam is in the threshold of achieving another, and the second giant step, in self-government through the Elective Governorship Bill;

However, the Commissioners of Guam have learned that two amendments are being proposed for inclusion in the Elective Governorship Bill now pending before Senator Jackson's Committee, which amendments are to provide that, when the President deems it necessary to protect the security, foreign relations, or property interest of the United States, the President may remove the elected Governor or veto any law passed by the Guam Legislature within 60 days after he receives a copy thereof; in addition, the Elective Governorship Bill contains a provision setting up a Federal Controller, independent of the Governor, who would report directly to the Secretary of Interior; and that these three objectionable features, in the combined judgments of the Commissioners, do not parallel nor fulfill; and are, therefore, detrimental, regressive and abortive to

the aspirations of the people who wish to establish a climate making it possible the furtherance of political equality, economic self-sufficiency and social status;

Therefore, through this Resolution, we, the Commissioners of Guam, formally protest against the proposed Presidential veto power; removal of elected Governor; and the setting up of a Federal Controller in the Elective Governorship Bill because:

(1) such a step is incongruent with giving the territory greater measure of self-government which is even more paramount for the people of Guam who are now not represented in the Nation's Capitol through suffrage;

(2) this check systems within an American territory where all citizens are extremely patriotic and unflinchingly loyal to the national cause could precipitate a public reaction which would question whether the National Government is truly interested in promoting progress in Guam;

(3) the three mentioned features of the elected Governorship Bill, if even acquiesce by the people of Guam, is but a self-admission of being second class citizens, but more dangerously signifying that the Federal Government is showing to the entire world of its rebuff for citizenship equality by establishing a demarcation between U.S. citizens in Territories and U.S. citizens in the States, and further indicating in the guise of national interest and security, that the Federal Government is merely establishing an administrative and fiscal surveillance over the people of Guam;

(4) that it is not analogous to allege that the inclusion of the three provisions is an assurance for the President to protect national interest and security since it is unimaginable that the Governor of Guam may, in any way, embark upon a policy or program to endanger national security because the Organic Act of Guam, as amended, is adequately armed to prevent this;

Resolved, that the District Government Council of the territory voice its opposition and, therefore, through this Resolution serve notice to the Honorable Lyndon B. Johnson President of the United States, to the Honorable Henry M. Jackson, Chairman, Senate Committee on Interior and Insular Affairs, to the Honorable Wayne N. Aspinall, Chairman, House Committee on Interior and Insular affairs, to Guam's Washington Representative, and to the Honorable Manuel F. L. Guerrero, Governor of Guam.

Adopted at the Capital City of Agaña, this 19th day of April 1967.

JESUS S. CAMACHO,
President, District Government Council.

Attested by:

JUAN G. BLAS,
Secretary.

APRIL 25, 1967.

HON. HENRY M. JACKSON,
*Chairman, Senate Committee on Interior and Insular Affairs,
U.S. Senate, Washington, D.C.:*

Guam elected Commissioners wish to register their opposition to the proposed amendments to the elected governorship bill relative to providing that the President may annul any law passed by the Guam Legislature and removal of the elected Governor as well as a provision setting up a Federal controller. A resolution is airmailed to you this date.

JESUS S. CAMACHO,
President, District Government Council.

Senator BURDICK. Thank you, gentlemen. That will conclude the hearings on S. 449 and S. 450.

(Whereupon, at 11:30 a.m., the committee proceeded to the consideration of further business.)

APPENDIX

(On March 9, 1967, the Comptroller of the United States submitted a report of the auditing practices of the territories. Due to the importance of this report to the legislation being considered, it was ordered printed as an appendix to the hearing record.)

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, D.C., March 9, 1967.

B-148674, B-58303, B-135087.

Hon. HENRY M. JACKSON,
Chairman, Committee on Interior and Insular Affairs,
U.S. Senate.

DEAR MR. CHAIRMAN: This is in response to your letter of February 27, 1967, requesting our Office to make an investigation of auditing activities in American Samoa, Guam, the Trust Territory of the Pacific Islands, and the Virgin Islands, and to report to your Committee thereon by April 1, 1967. You specifically requested to be advised of the auditing procedures presently followed in each of these territories, to have our recommendations as to the best auditing arrangements possible under the circumstances and conditions associated with each of the territories, and to receive drafts of legislation designed to implement our recommendations.

In subsequent discussions with Mr. James Gamble, a staff member of your Committee, we were informed that the Committee intended to hold hearings on these matters on March 9, 1967, and that the required report would need to be furnished to the Committee by that date. In view of the limited amount of time available, we were unable to make complete investigations of the current auditing practices followed in these territories as contemplated in your letter of February 27, 1967. However, we have held discussions with officials of the Department of the Interior and have obtained certain other information which we believe will be of benefit to your Committee in its present considerations of Senate bill 449 and Senate bill 450.

Our understanding of the auditing arrangements presently being followed in the individual territories are summarized below.

AMERICAN SAMOA

In the Territorial Government the internal audit function is carried out by a staff of three auditors within the Governor's office, subject to the direction of the Governor. We understand that these auditing activities are of a fiscal nature and do not include audits of operations designed to promote efficiency and economy in the territorial government.

There is no external auditing performed by the Department of the Interior or public accounting firms. Pursuant to the authority contained in the Budget and Accounting Act, 1921 (31 U.S.C. 53), and the Accounting and Auditing Act of 1950 (31 U.S.C. 67), our Office has reviewed selected financial activities of the Government of American Samoa.

Funds to finance the costs of this Government are appropriated annually. Appropriations made by the Congress are of two types: (1) regular appropriations from which the expenses of the legislative and judicial branches and those of the Office of the Governor are financed and (2) grant-in-aid funds which, together with local revenues, are used to finance costs incurred by the executive branch of the Territorial Government. Historically we have examined, to the extent we deemed necessary, the transactions affecting Federal funds, but we have not audited transactions affecting local revenues and grant-in-aid funds. However, we did examine into the effectiveness of selected financial management procedures and controls over such funds.

Our most recent examinations resulted in a report to the Congress on April 25, 1960 (B-114870); a report to the Director, Office of Territories on January 7,

1966; and a report to the Secretary of the Interior on June 16, 1966 (B-114870). A copy of each of these reports is enclosed to provide you with our viewpoint on the nature of management system improvements which we believed were needed at the time our reports were issued. We believed that these reports should be helpful in your consideration of the nature of auditing arrangements appropriate for the territories.

GUAM

The government of Guam has an internal audit function carried out by six auditors in the Internal Audit Branch, Division of Inspection, Department of Finance. We understand that their auditing activities are essentially of a fiscal nature and are not primarily directed to promote efficiency and economy in the government's operations.

External audits are performed annually by public accounting firms retained under contract, and the audit reports are addressed to the Guam legislature. Such audits are of a balance-sheet type and the reports include, in addition to a statement of account balances, a separate section with the public accounting firms' professional assessment of any deficiencies in financial management.

In scanning their reports, we noted a significant number of instances where reported deficiencies had not been corrected and had been repeated in succeeding reports. One report noted that not enough effort had been devoted to correcting previously noted deficiencies and suggested that specific individuals be held responsible for ensuring that the recommendations or alternate corrective actions would be implemented.

Audits by the General Accounting Office have been limited to test examinations of transactions affecting Federal funds appropriated to meet the expenses of the Office of the Governor and the travel expenses of the members of the Guamanian legislature. We have not audited transactions financed from funds covered into the treasury of Guam pursuant to section 30 of the Organic Act of Guam.

TRUST TERRITORY OF THE PACIFIC ISLANDS

The Insular Government has a certain amount of internal auditing which devotes itself primarily to the review of cash accountability. We understand that there are presently six auditors in the Division of Internal Audit which reports directly to the High Commissioner of the Trust Territory of the Pacific Islands.

Pursuant to authority contained in the Interior Department Appropriation Acts, our Office has reviewed selected financial activities of the Trust Territory. The current provision as contained in Public Law 89-435, pertaining to fiscal year 1967, provides that our Office shall audit all financial transactions of the Trust Territory in accordance with the provisions of the Budget and Accounting Act, 1921, as amended, and the Accounting and Auditing Act of 1950. Such specific legislative authority permits our Office to undertake comprehensive examinations aimed at promoting economy and efficiency in the operations of the Trust Territory. Where our audits disclosed uneconomical or inefficient practices, we brought them to the attention of the Congress or to officials of the Department or the Trust Territories, as appropriate, for corrective action.

We last reported to the Congress on our examination into selected activities of the Trust Territory on March 20, 1962 (B-114888). An audit was scheduled to commence in the first half of calendar year 1966 but was delayed at the request of the Department of the Interior to identify existing management deficiencies and to allow a new High Commissioner time to accomplish necessary corrective action on them. From August 6, 1965, to October 7, 1965, the Department's Office of Survey and Review performed a financial system review at the request of the High Commissioner and issued a report in December 1965. Also, from June 1, 1966, to August 5, 1966, the same office performed a financial audit of selected activities and issued a report in October 1966. In its report of December 1965, the Department commented on the need for a more effective internal program because of the problem of internal controls, the widespread and diverse activities, and the potential of misuse of resources. The Department's report of October 1966 concluded that nothing had been done to comply with the recommendations in the December 1965 report, although the recommendations had apparently been adopted. Our office program provides for resumption of our examination into selected activities of the Trust Territory beginning during May 1967.

VIRGIN ISLANDS

In the Insular Government, the internal audit function is carried out by a staff of 13 auditors within the Division of Audits which is part of the Division of Finance. We understand that their auditing activities are limited primarily to those of a fiscal nature and to follow up on exceptions taken by the Office of the Government Comptroller. We understand that they do not perform audits of operations designed to promote efficiency and economy in the Insular Government.

External audit functions are the responsibility of the Office of the Government Comptroller which was established in 1954 pursuant to section 17 of the Revised Organic Act of the Virgin Islands. Although the Government Comptroller under the general supervision of the Secretary of the Interior, has the overall audit responsibility for activities of the Government of the Virgin Islands, he is a Federal official, appointed by the Secretary of the Interior, and employees of his office are also Federal employees.

As required by section 19 of the Revised Organic Act of the Virgin Islands (48 U.S.C. 1632), we have examined, to the extent deemed necessary, the activities of the Office of the Government Comptroller of the Virgin Islands. In order to evaluate the effectiveness of the Office of the Government Comptroller, we have made limited examinations into the activities of the Government of the Virgin Islands.

Our Office has issued such reports covering each fiscal year from inception of the Office of the Government Comptroller through June 30, 1965. The most recent report, a copy of which is enclosed, covered fiscal years 1963, 1964, and 1965 and was issued April 28, 1966. On the basis of our audits, we believe that the Government Comptroller is carrying out his audit responsibilities in a manner which substantially fulfills the requirements under section 17 of the Revised Organic Act of the Virgin Islands.

Regarding your request for our recommendation to the Committee concerning auditing procedure which will provide the best auditing arrangements possible under all circumstances involved, we recommend that a comptroller for the Government of Guam be established in the manner prescribed by section 5 of Senate bill 449 which was considered by your Subcommittee on Territories and Insular Affairs.

Regarding audit arrangements for the territories of American Samoa and the Trust Territory of the Pacific Islands, we recommend arrangements whereby the Secretary of the Interior would be made responsible for arranging an annual audit in such manner as the Secretary, with the advice of the Comptroller General, might prescribe. Additionally, the Secretary should be authorized and required to arrange for operational reviews to enhance the economy and efficiency with which the activities of these territories are conducted. Under this arrangement, the General Accounting Office would perform such reviews of the operations of the activities conducted in these territories as the Comptroller General would deem necessary, including evaluation of the effectiveness with which the Secretary carried out his assigned responsibility to provide for audits. We understand that the Department of the Interior is presently contemplating recommending to you such a procedure for application to American Samoa, Guam, and the Trust Territory of the Pacific Islands.

The nature of an appropriate arrangement for these territories in our opinion should be considered in relationship to the financial complexities existing in the particular territory and the relative degrees of self-government which are contemplated for the territories.

In this connection it appears that the Congress may intend that more responsibility for execution of financial activities be assigned to the local governing body of Guam. This is to be contrasted with the situation with the Trust Territory of the Pacific Islands and American Samoa where it appears that there is no immediate congressional intent to deviate from the present arrangement of predominate Federal responsibility for conducting financial management activities.

Additional specific reasons for our recommendations are presented in the following paragraphs.

Among the objectives and responsibilities of the Comptroller are the audit and settlement of all accounts and claims pertaining to revenues and receipts from whatever source. The matter of settling claims is a specialized management function which, among other things, would require a constantly current understanding of the local laws upon which many claims may be based. This understanding can best be obtained by a comptroller in residence at the seat of local government. Moreover, claims may occur at any point of time during the year and could be settled most effectively and promptly by a resident comptroller.

Another basic objective of a Government Comptroller audit activity is to make recommendations leading to improving the economy and efficiency of the activities carried out by the local Government. Maximum effectiveness can be accomplished from audits designed to improve economy and efficiency of Government operations if the Comptroller were available at all times to consult with officials of the Government on policies and procedures to bring about improvements in Government operations that have been suggested as desirable as a result of the audits of the Comptroller.

Under the arrangement which we understand the Department of the Interior is presently contemplating, periodic audits would be performed by public accounting firms and we would not expect that representatives of such firms would be available at Guam at all times to discuss other findings and related procedures designed to accomplish economies and efficiencies consistent with such findings. As the lengths of regular sessions of the legislature of Guam become longer and more complex legislation is enacted, we believe that it will become more essential to the Federal interests and more beneficial to the Guam Government to have the audit function performed on a resident basis.

During the hearings held on February 20, 1967, on Senate bills 449 and 450, the Department of the Interior and Guamanian officials interposed objections to section 5 of Senate bill 449 which would provide for a Government Comptroller of the Territory of Guam. The Department apparently agrees that a Federal audit is desirable and also agrees with the objectives of the audit activity by the Government Comptroller as now stated in section 5. The principal objection which the Department stated is that such a system contemplated by section 5 would, for Guam, be unduly expensive.

We believe that an audit by a Government Comptroller, which has as one of its primary objectives the improvement of the efficiency and economy of the Government of Guam, should more than pay for itself once it has been effectively established. Further, under such circumstances, the tests presently made by the public accounting firm could be reduced, provided that an effective Federal audit by a comptroller existed.

We believe audit arrangements for American Samoa and the Trust Territory of the Pacific Islands, which we understand will be proposed by the Secretary of the Interior, as described in a previous paragraph, would be the most appropriate arrangement. Our view is based on the principle that primary responsibility for execution of the financial affairs of these territories will be performed by Federal officials for an indefinite period. In such circumstances, their actions would be subject directly to the review processes of your Committee and other appropriate committees of the Congress and the General Accounting Office. Therefore, the Federal interest and investment in the territories should be adequately protected.

Because of the limited time available for us to respond to your request, we have not drafted legislation for your consideration in implementing such an audit arrangement for American Samoa and the Trust Territory of the Pacific Islands. However, we would be pleased to assist your Committee in drafting appropriate legislation if you so desire.

We trust that this information will be of assistance to your Committee in its present considerations of the auditing procedures in these Territories.

Sincerely yours,

ELMER B. STAATS,
Comptroller General of the United States.

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