

OFFICE OF THE GOVERNOR
SAIPAN, MARIANA ISLANDS 96950

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MICROT SAIPAN

SAIPAN TRUST FUND
SCHOLARSHIPS

May 6, 1971

Mrs. Elizabeth P. Farrington
Director, Office of Territories
Department of the Interior
Washington, D. C. 20240

Dear Mrs. Farrington:

This is in reply to your dispatch P 291120Z, dated April 29, 1971, forwarding the request of the staff consultant to the House Foreign Affairs Committee requesting additional background material on war claims hearings.

1. Moneys specifically appropriated for U. S. land taking.

In 1951, the United States Congress appropriated the sum of \$1,772,000.00 for acquisition of land in the Trust Territory for military purposes. (Public Law 155, 82nd Congress, 1st Session.)

From this appropriation, \$984,183.00 was deposited in a Special Deposit Fund, now known as the Saipan Trust Fund, to serve and enhance the indigenous inhabitants of the Saipan District along the lines set forth in Article 6 of the Trusteeship Agreement. This was paid by the United States for use of land retained for military purposes on Saipan, Tinian, Pagan and Naftan Rock, all in the Mariana Islands. A total of 22,500 acres was retained. Land has been released by the United States when no longer needed for military purposes. The Military Retention Areas in the Mariana Islands total slightly less than 14,000 acres today.

The sum of \$682,322.34 was spent for construction of a hospital on Saipan. A few scholarships for Saipan students were made several years ago. One loan of \$25,000.00 was made to a private shipping firm. This has been repaid. A loan of \$130,000.00 was made to the Mariana Islands Housing Authority to finance low-cost housing for indigenous people of Saipan and Tinian. In addition, \$240,000.00 has been set aside to pave the secondary roads in the Municipality of Saipan. A current balance sheet of this fund is enclosed, marked Exhibit "A".

In 1956, the Department of the Navy transferred the sum of \$1,245,323.80 to the Trust Territory to use in acquiring land for military use under the terms of an Agreement dated July 6, 1956. Of this sum, \$787,817.00 came from the 1951 appropriation. We have been unable to determine the

source of the additional \$457,506.80. There is enclosed a summary of the disposition of the funds transferred to the Trust Territory, marked Exhibit "B". It will be noted, the entire atolls of Eniwetok and Bikini were acquired. Trust Funds were established for the people of both atolls. These funds still exist. There are enclosed current balance statements with respect to both funds. A second fund has been established for the Eniwetok people (now residing on Ujelang). One million dollars was received from the United States for this fund. It was an ex gratia payment to supplement the original payment of \$175,000.00. Bikini has been declared of no further use to the Department of the Defense and the atoll is being readied for return of the Bikini people from their present home on Kili Island.

In Truk, three parcels of land with a total area of 78 acres were acquired in 1957 for a total cost of \$23,787.00. This land has been released to the Trust Territory. Payment was made to the landowners. We do not know what use they made of the money. Most of the land is included in the present Truk Airport.

The Ulithi land was acquired for a United States Coast Guard Loran Station in 1960. Payment was made to the landowners. They have used part of the money to organize and operate a cooperative merchandise business. The Loran Station was discontinued in 1965. The landowners were offered the choice of having the land returned to them or having a high school built on the site. They voluntarily chose to have a public high school built on the land. The high school is in operation at this time.

The Kwajalein land payment in 1964, in the amount of \$750,000.00 was for approximately 750 acres of land in Kwajalein and Majuro Atolls. Payment was made by checks to the landowners in accordance with an agreement dated February 9, 1964. It is not known how the money has been spent. However, it is assumed most of it has been spent on day-to-day necessities and luxuries. The landowners were offered assistance in establishing a Trust Fund, but they requested a cash settlement.

Iroij Lejellon Kabua received \$15,000.00 in payment for his rights in Bikini Atoll. He does not share in the Bikini Trust Fund.

A group of Washington attorneys represented the Kwajalein and Majuro landowners in the negotiations. They received \$37,500.00 for their services. This was paid at the landowners' request from the \$750,000.00 payment.

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There is enclosed a copy of a summary of Kwajalein land now used by the United States Department of Defense, Exhibit "C". The exact amount of payment for land other than Kwajalein, Ebeye, South Loi and North Loi Islands, is not readily obtainable. Some negotiations for Kwajalein land are pending. The payments for this additional land were made to the landowners concerned by checks. We have no information as to how the money has been used. Funds for the payment of use rights were made available by the Department of Defense and the exact sources, except for the \$750,000.00 payment, have not been located in our records.

2. Explanation of current eminent domain proceedings and right of Trust Territory citizens to file suits against the Government.

No eminent domain suits are instituted until exhaustive negotiations have been completed between the landowners and the Government. If no agreement is reached, then a complaint is filed condemning the land pursuant to the provisions of Chapter 3 of Title 10, Sections 51 et. seq. of the Trust Territory Code of 1971.

Chapter 3 became law in the Trust Territory in 1959. Prior to this date, land was secured through negotiations or was held as a result of acquisition by the U. S. Armed Forces. In 1959, additional lands were required in Kwajalein Atoll. Negotiations failed and the current eminent domain statute was promulgated and put into effect.

In 1969, condemnation suits were filed in Majuro and Truk for the Trust Territory communication system. These suits have been settled by negotiations and were dismissed. Four hundred acres of a mangrove swamp were condemned in Ponape as a site for the new jet airport. Negotiations with the owners are continuing.

After Typhoon Jean struck Saipan, a new high school was constructed. Negotiated agreements were reached with all but three landowners. Condemnation suits were filed for these three parcels. Two of these suits have been settled by negotiations and the suits will be dismissed as soon as a survey of the properties has been completed. There is a dispute as to who is the actual owner of the third parcel. Once the ownership question is settled, we believe a negotiated settlement can be reached.

Condemnation suits have been filed for certain islets in the Kwajalein Atoll for use by the Kwajalein Missile Range. We are continuing to negotiate with the landowners in the hopes of reaching a mutual acceptable agreement.

Citizens of the Trust Territory may now sue the Government. The Congress of Micronesia passed Public Law 3-21 and it was approved by the High Commissioner on September 23, 1967 (Chapter 11, Title 6, Sections 251, 252 and 253 of the Trust Territory Code of 1971). This law allows citizens to sue the Government for torts, erroneously collected taxes, actions founded upon any law or any regulations issued under law, and breach of contract. Prior to the enactment of this law, citizens could not sue the Government without its consent. The Government generally did not give its consent to be sued.

The U. S. Congress approved the Trusteeship agreement on July 18, 1947. Prior to this time, the Trust Territory was governed by the military. On this date, the military government was dissolved and an interim civil government was established. The executive and legislative powers were vested in the High Commissioner. Laws or regulations were put in force by the issuance of an Executive Order signed by the High Commissioner. On July 1, 1951, the administration of the Trust Territory was transferred from the Department of Navy to the Department of the Interior.

We are unable to discover any suits filed against the Government during this period. However, land and claims commissions were formed. Any claims against the Government were handled administratively. Claims are still being handled administratively in addition to the rights of a citizen since 1967 to sue the Government.

Since 1947, various Government commissions have attempted to investigate and settle titles to land. While substantial progress has been made in this field, the problem still remains. The Congress of Micronesia enacted Public Law 2-1 which was approved by the High Commissioner on September 2, 1966. This law was amended by Public Law 4-13, approved on September 10, 1968 (Chapter 5 of Title 67, Sections 101 through 120, inclusive, Trust Territory Code). This law authorized the establishment of a land commission in each district with the authority to determine ownership and register land titles. The determinations of the land commission are appealable to the High Court of the Trust Territory. To date, approximately 500 certificates of title have been issued and registered in the Mariana Islands District.

If you require additional information, let us know and we will attempt to get it for you.

Sincerely yours,

Paul L. Winsor
Acting Deputy High Commissioner

Enclosures:
Exhibit "A"
Exhibit "B"