

August 2, 1973

MEMORANDUM FOR HOWARD WILLENS

SUBJECT: The Recent "Omnibus Bill" for the Trust Territory

You asked for information regarding the content and legislative history of the "Omnibus Bill" for the Trust Territory which was referred to in the 1973 House hearings on the TTPI budget. The bill's content and history do provide some useful insights into Congressional attitudes.

The Omnibus Bill started as S. 860 which was introduced on February 18, 1971. It contained five titles. Each of these had been introduced in the form of separate legislation in prior Congresses. Only the first and second titles -- development loans funds and war claims -- were enacted into law. The following is a brief section-by-section analysis of S. 860.

Title I would have authorized a grant of U.S. funds of approximately \$3.1 million which, when added to existing funds, would create an economic development loan fund for the TTPI of \$5 million. The fund would be used to stimulate private economic development through direct loans and through guaranteeing repayment of commercial loans. This title was approved by Congress in March 1972 and became 48 U.S.C. § 1688.

Title II would have implemented an Executive Agreement of 1969 between Japan and the U.S. regarding war

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claims. This was enacted into law by separate legislation. Pub. L. No. 92-39 (July 1, 1971).

Title III would have amended the Immigration and Nationality Act to provide for free immigration of TTPI citizens into the United States. The House Committee on Interior and Insular Affairs deleted this title from the bill for the stated reason that it could be better treated under separate legislation which could be considered by the Judiciary Committees. Senator Burdick had introduced a bill, S. 585, on February 4, 1971, containing language identical to this title; the bill was referred to the Senate Judiciary Subcommittee on Immigration where it subsequently died. According to staff members on the House and Senate Judiciary Committees, no additional legislation has been proposed nor any anticipated, probably due to the small number of immigrants involved.

Title IV would have amended the U.S. customs laws to provide that, with certain exceptions, the Trust Territory should be treated as an insular possession of the U.S. -- i.e., like Guam and the Virgin Islands. The Senate struck this title from the bill in 1971 apparently because of House objections that changes in the customs laws should be introduced in the House first. On January 4 of this year, Senator Inouye introduced S. 117, the language of which is identical to Title IV. This bill has been submitted to the Administration for its views.

Title V (which upon the deletion of Title IV in 1971 became Title IV) would have permitted the enlistment of citizens of the Trust Territory in the U.S. Army and Air Force, thereby amending 10 U.S.C. §§ 3253 and 8263. The House Interior Committee deleted this title from the bill in 1972 because of opposition by the Department of State. The Department argued that the title was contrary to the United Nations Charter and the Trusteeship Agreement since they provide for the use of volunteer forces from the Trust Territory only for purposes of local defense, the maintenance of law and order within the Trust Territory, and in carrying out certain obligations by the United States for the U.N. Security Council. Existing law and relations do allow Micronesians to enlist in the U.S. Navy and Marines. However, the Department of State distinguished that situation on the ground that the regulations required that the Micronesian appear at a recruiting station in the United States or its territories and produce a U.S. permanent residence permit.^{1/}

Barry Carter

cc: Mr. Lapin

^{1/} For further discussion of this distinction, see the letter from the Dept. of State in H.R. Rep. No. 852, 92d Cong., 2d Sess. 6 (1972).