JMW:kkc:12-16--73

U.S. RESPONSE TO MECHANICS OF LAND ACQUISITION AS SET OUT IN MARIANAS POLITICAL STATUS COMMISSION PAPER OF 12/13/73 ON PUBLIC LANDS

- 1. Nature of commitment to be entered into by Marianas legal entity receiving title to public land -
 - MPSC papers has two versions
 - -"Recipient [of title] of such land should be required to covenant that it will reconvey the land in such amounts and on such terms and conditions as are subsequently negotiated and agreed to in these talks and approved by the U.S. Congress and the people of the Marianas".
 - -- There would be a "Covenant by corporation (entity), as trustee for the people, to convey land to the United States for military purposes in such amounts and on such terms and conditions to be set forth in the Status Agreement", etc.
- Both of these renditions appear to be fair interpretations of U.S. land policy and are acceptable to U.S. Delegation.
- 2. Mechanics of transfer of public land to Marianas legal entity (corporation).
- Corporation organization a matter for Marianas to decide so long as it falls within guidelines established in Policy Statement.
- Transfer of public land to that corporation is O.K. but delay in setting upprocession could throw wrench into machinery.
- Transfer to that corporation of military retention land previously returned to public domain by U.S. also O.K. (as said in May, U.S. intends to transfer to public domain all remaining military retention lands, not needed for military purposes or related civilian e.g., relocation activities).
- But for military retention land to be used by U.S. military or relocation already have valid lease.

- At end of trusteeship wish to convert lease to purchase and willing to work out terms now.
- Do not concur that leases are legally questionable or that it is necessary to receive all lands at hands of people. (People's approval of U.S. purchase at end of Trusteeship should settle any questions on that score).
- 3. Method for acquiring private land.
- MPSC paperssays "District Legislature to acquire, through purchase or condemnation, any private land that the parties agree will be required for U.S. military use".
 - This arrangement agreeable to U.S. Delegation.
- District Legislature use of power of eminent domain also O.K., but note TT will still have eminent domain as well.
- Private land to be turned over to corporation to hold title and make available to U.S. O.K.
- 4. Relocation Payments
- MPSC asks for U.S. to provide relocation payments and assistance under Uniform Relocation Act.
 - This is Olk., but need to agree on how this is to be accomplished.
- 5. Advance financing for private land acquisitions
- MPSC papers asks that District Legislature receive "advance" from U.S. on any lease or purchase in order to finance acquisition of land for U.S. use-
 - -- Assume this means private property.
 - U.S. expects provide lump sum for purchase of all land public or private.
 - -- We would have difficulty committing the U.S. to an "advance" payment.
 - --- Need to go to our Congress with whole package.
 - --- Data must be firm before we can do so+

- --- But there may be another way to get over the problem.
- -- Wesvisualize a simultaneous transaction.
 - --- Based on our agreements here, the DOD land procurement agency
 will conduct necessary surveys and negotiate with your land corporation or district legislature (as you choose) who in turn may be
 making arrangements for Tinian lands as you have suggested.
 - --- Exchange of funds and signing of all legal documents involved could then be effected simultaneously; at a pre-arranged date.
- -- In any event, following our agreement here, our procurement people will work with your land corporation toward accommodating your desires in this area, and toward keeping the transaction simplified.
- 6. Extent of interests in land to be acquired.
- MPSC papers suggests that entity (corporation) will convey to U.S. "such interests in land required for military use, in such amounts and on such terms and conditions as are set forth in Agreement".
 - -- This is O.K., but U.S. still wants to lease under Trusteeship and purchase afterwards.
- We will also want to examine closely with you what those terms and conditions might otherwise be. On a purchase they would be minimal except for the type of reversionary clause we have discussed.
- 7. Entity (Corporation) as lessor (under Trusteeship).
 - O.K.
 - But no lessor after end of Trusteeship.
- 8. Authority of Marianas Political Status Commission on land
- The United States assumed on the basis of previous statements by the Marianas Political Status Commission that it has or will acquire the necessary power and authority to commit the Marianas to make available to the U.S. Government the specific land areas agreed to in these negotiations as they will be set forth in the

Covenant. The United States welcomes this assertion on your part but would like to be officially assured on this score so that negotiations for the use of land can be finally consumated in this forum. We also assume that approval of the Covenant by the District Legislature and the people of the Marianas will of course commit the future Government of the Marianas as well in this regard.