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April 9, 1974

MEMORANDUM

TO: Mr. Willens
FROM: R. Kelley
RE: Marianas - Applicability of Federal Financial
Aid Programs

In response to my request, Jim Leonard has had Fran Mahoney prepare a list of those federal financial assistance programs that would constitute an "ideal package" for the Marianas. A copy of Fran Mahoney's list is attached.

I will have the legislation embodying these programs analyzed in terms of their applicability to Guam, the territories, the TTPI and the States under the method I am following with respect to the various chapters in the U.S. Code.

Attachment

cc: Mike Helfer
Noel Kramer

07961

INTER-OFFICE MEMORANDUM

DATE: 4/9/74

TO: Bob Kelley

FROM: Francis B. Mahoney



SUBJECT: Federal Programs and/or Legislation recommended for extension to the new Marianas "Commonwealth"

Listed below by agency, and/or program, and, where known, by statute are some twenty-eight Federal programs that would appear to be highly advantageous to the new Marianas territory if suitable amendments could be designed for inclusion in the U.S. - Marianas treaty document. This list is by no means exhaustive, and I am sure you will be able to think of other suitable programs beside those here identified. A few of those we mention may have been superseded.

A. Programs and Social Security Act

1. OASDHI - Old Age, Survivors, Disability and Health Insurance.
2. Unemployment compensation (but probably excluding FUTA).
3. Welfare -- matching grant programs; Aid to Dependent Children, Old Age Assistance (superseded in the States by Supplementary Security Income).

B. Agriculture

1. All programs under the Consolidated Farmers Home Administration Act of 1961, particularly loans for rural homes and for farm financing.
2. Child feeding programs under the Child Nutrition Act and possibly other legislation - the school lunch program, etc.
3. The Food Stamp Act of 1964.

C. Commerce

1. The gamut of EDA grant and loan programs available under

the Public Works and Economic Development Act of 1965 as amended.

D. Defense

1. Technical Assistance and grant programs available under the Federal Civil Defense Act, and any and all disaster Acts. The Marianas get several typhoons a year.
2. The Rivers and Harbors Act, particularly those sections that have the Federal government providing up to 50 percent of the cost of constructing navigation facilities and all on-going maintenance costs.
3. The Water Supply Act of 1958, and all pertinent EPA - type legislation (e.g., Federal Water Pollution Control Act) providing grants for construction of water storage facilities, wastewater disposal systems and generally, water pollution control systems.

E. Health, Education and Welfare

1. The Adult Education Act, the Elementary and Secondary Education Act, and the Higher Education Facilities Act. At present the Trust Territory receives some, but not all, of the benefits of these pieces of legislation; also the Emergency School Aid Act.
2. The range of vocational education programs, grants and technical assistance offered under the Vocational Education Act of 1963, also the Vocational Rehabilitation Act.
3. The entire gamut of grants available to states and/or communities under the many titles of the Public Health Services Act (among the many, grants for comprehensive area-wide health maintenance organizations). Also to be considered for extension: the Basic (HEW) Act of 1912, the Reorganization Act (HEW) of 1945 and especially the Comprehensive Health Planning and Public Health Services amendments of 1966. Also, the Allied Health Professions Personnel Act, which among other things, provides aid for the construction and equipping of nursing schools.

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The Puerto Rican Federal Relations Act of 1950 provided that a number of sections continue in force and effect. See 48 U.S.C. Section 731e. One such section continued in force and effect was Section 863 providing, among other things for additional jurisdiction for the United States District Court for the District of Puerto Rico. The additional jurisdiction included jurisdiction for the naturalization of aliens and Puerto Ricans, and jurisdiction "of all controversies where all of the parties on either side of the controversy

F. Housing and Urban Development

1. Grants, technical assistance, advances for planning, etc. provided under the Housing Acts of 1949, 1954 and 1961 also the mortgage insurance features of the National Housing Act, as amended.

G. Labor

1. All pertinent sections of the Manpower Development and Training Act of 1962.
2. The Wagner-Peyser Act, particularly those sections providing technical assistance to states in setting up employment services.

H. Transportation

1. The Federal Airport Act, which supplies financial and technical assistance to public agencies for the planning, acquisition and development of airports and heliports.
2. The variety of marine, harbor and waterfront services supplied by the U.S. Coast Guard (5 USC 552; 14 USC a, 81-90; 14 USC 2).

I. Small Business Administration

1. The several packages of loans and technical assistance supplied to local small business, and development companies under the Small Business Act, augmented by Title IV of the Economic Opportunity Act (if still available).

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April 9, 1974

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MEMORANDUM TO THE MPSC FILE

Re: Multi-year Financial Assistance for the Marianas

I have briefly reviewed the Senate version of the Congressional Budget Act of 1974, S. 1541, and the report of the Committee on Rules and Administration which accompanies it, S.Rep. 93-688. There does not appear to be any prohibition against the advance appropriation of funds for the Marianas which we seek in the Status Agreement. It does appear, however, that the legislation which makes the five year appropriation - that is, the Status Agreement itself when passed by Congress - will have to be referred to the House and Senate Appropriations Committees for final approval. This is not unanticipated, and, indeed, even under the existing rules of the House and Senate, it appears that a referral would be necessary unless waived. The final version of this legislation is expected to be reported out of the conference committee for the end of this session of Congress. It will have to be analyzed to assure that multi-year assistance for the Marianas is not jeopardized.

Michael S. Helfer

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