

Tabled 5/20

May 30, 1974

U.S.- MPSC JOINT DRAFTING COMMITTEE

- The U.S. has proposed and you have tentatively agreed to the establishment of a Joint Drafting Committee to be charged with the preparation of a status agreement for approval by the two delegations at our next session.

- This Committee would have as its primary task the job of putting into agreement form the understandings tentatively reached between the two delegations in Marianas I through IV and embodied in our joint communiques and other agreed documents.

- It would also have the job of working out a variety of questions which the two sides have left for further consideration or referred specifically to the Joint Drafting Committee. These include:

1. Determination of those fundamental matters in the proposed arrangement which can only be altered by mutual consent of the Government of the Northern Marianas and the federal government.
2. Adoption of a mutually agreeable formula for the interim application of U.S. laws pending a thorough review of all federal laws by a Joint Commission appointed by the President.

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3. Determination of the best means of handling MPSC concerns on the question of application of the U. S. Immigration & Nationality Act.
4. Determination of an equitable formula for the development of a progressive income tax system by the Government of the Northern Marianas.
5. Determination of additional safeguards to be applied in the possible future exercise of federal powers of eminent domain.

- In the event the respective two senior Representatives on the Joint Committee are unable to reach agreement on these issues they should refer the matter to the Chairman of the MPSC and the Chairman of the U. S. Delegation for resolution

and if they cannot agree the matter will be reserved for decision at the next session.

- In any event the entire effort of the Joint Committee will be subject to review and final approval at the next full negotiating session.

- I propose to name the Deputy U.S. Representative, Mr. James Wilson, as the Senior U. S. Representative on the Joint Committee and recommend you name your Senior Representative as soon as possible. Mr. Wilson will expect to utilize the services of legal counsel and to bring in other technical experts as needed in the drafting process.

- I do not propose any formal terms of reference other than a general description of the Committee's purpose and composition which will appear in the Joint Communique. I urge, however, that the considerations reviewed in our presentation on the nature of the agreement as responded to most graciously by your counsel be used as a general yardstick for development of the agreement.

- I found it most significant in your counsel's explanation yesterday that he had attempted to eliminate in the MPSC draft any requirement for further implementing legislation by the U. S. Congress. We had not attempted to do any such thing and have been proceeding on the assumption that further legislation will be inevitable, but does not necessarily have to be enacted at the same time that the Congress approves the new agreement. ^{Indeed} ~~Instead~~ we believe that even your proposal requires some further implementation if only of a formal nature. It would be most useful if we could agree now to proceed on this basis and to instruct the drafting committee to include in the agreement only those items which require immediate legislative treatment, reserving action on further implementing legislation for a later date and utilizing meanwhile the sort of general formula on applicability of laws which we have suggested earlier.

- Your views on the foregoing would be appreciated.