

MEMORANDUM FOR MESSRS. HELFER, MODE AND MS. O'HARA

Subject: Telcon with Mr. Berg

I spoke with Jim Berg today and learned the following:

- 1. With respect to separate administration, Jim needs approximately one more week to secure the necessary clearances within the Department of the Interior regarding his paper on separate administration. At that point, he says that he will be prepared to review it in detail with us and, perhaps, give us a sanitized version of the paper. I told him that we were anxious to discuss this matter with him and get some preliminary idea of how much additional work is required to be done by this office. If I don't hear from him by Monday, June 24, I will give him another call.
- On the subject of public land legislation, Jim and others in the Department are meeting with the High Commissioner today on this very subject. Jim opines that the Congress of Micronesia will renew its consideration of this legislation at the point where it left off earlier this year. Anticipating this, the Department and TTPI officials are planning to review the amendments proposed by the Congress of Micronesia and indicate which of them are acceptable to the administration. This list of acceptable and unacceptable amendments would be made available to the Congress and the public at large shortly before the special session of the Congress of Micronesia. is some possibility that we might get the substance of this list at an earlier point if we press for it tactfully.) Regarding the specifics of the legislation, Mr. Berg said only the following:
 - (a) It is clear that the administration cannot live with the provisions of the bill related to military retention lands. In this connection, he would like our help in urging Senator Borja to withdraw this amendments or otherwise change his view on this subject.
 - (b) It is the Interior Department's view that it can live with the eminent domain provisions of the amended legislation, although the Department of Defense may have some problems with these provisions.

(c) When I queried Mr. Berg regarding his position concerning Congress of Micronesia control over this disposition of public lands, he did not seem as concerned as I had hoped. He suggested only that any problem that the Marianas might have in this connection could be cured by separate administration.

- (d) I emphasized the importance of permitting the District Legislature to have maximum authority in creating or designating legal entities to receive public lands. Mr. Berg understands this point, but I am unsure whether the administration will emphasize this point in its review of the legislation now pending before the Congress of Micronesia.
- 3. In response to his inquiry, I said that it was very possible that someone from this office would be out in Saipan to deal with this subject and other matters in late July and early August. He said that the Marianas are clearly the only district in any position to enact legislation creating an appropriate legal entity if the Congress approves acceptable legislation at the special session. I said that we were stretching our capabilities in this respect but that we were determined to give it the "old college try."

HPW