MEMCON

Participants:

Mr. Howard Willens

Mr. Michael Helfer

Mr. Bob Kelly

Mr. James M. Wilson, Jr.

Mr. Herman Marcuse

Mr. Andre Surena

Mr. Adrian de Graffenried

Date: 25 July 1974, 10:30 a.m.

JW: Other topics first.

Land committee

All MPSC members procent from an amount of the state of t

Good Session

Terms of Reference

Agenda

Mechanical survey to establish def. boundaries then line adjustment; most important factor needing immediate attention.

B. √Úse/lease back

Method acquisition/fair market value (Discussed procedural method to determined/MV. MPSC desired to hire esperts; U.S. outlined complex procedures mandatory for USG if appraisal technique followed.)

-- Convene Next: First part of August in Honolulu for preliminary conference (most U.S. experts in Hawaii, but problem is money if Ad Hoc Committee does not have sufficient funds) then move to Saipan; The said of the said

HW: MPSC experts now on board, now determine fair market value; probably won't determine until mid-September.

JW: Very late considering JCFS/U.S. agreement on draft compact in Guam and JCFS desire to have Marianas vote on it before JCFS recognize separate negotiations, so time is of the essence.

HW: U.S. desire vote on commonwealth agreement prior to COM action?

JW: If possible.

HW: Could be faced with having to put both status alternatives to the people. Does U.S. have a position.

JW: MPSC does not desire this approach but no U.S. position desire this approach but no U.S. position

HW: MPSC may be responsive to U.S. views - so need U.S. views, especially on separate administration.

JW: Discussed separate administration with E. Pangelinan on Guam.

Separate administration prior to November elections may raise issue of

Marianas representation in COM and problems in Marianas of local selection of

delegates for November races. Pangelinan/Santos, not want a separate referen
dum on a separate administration, but only 1 referendum to determine every
thing. They both felt strongly that vote on status for Marianas should come

prior to conveneing of COM constitution which may be scheduled for April '74.

Minimum time between constitutional convention and plebiscite would be 3

months. So puch for early agreement on status can't avoid November elections.

So, Marianas not have separate administration until separate plebiscite helds.

HW: Are separate considerations. We all want agreement before end of year. But market values are sensitive, important to client and a couple extra weeks are needed. This may puch things into first of October for next meeting.

JW: October is problem - so have to meet in November if not September

HW: Well what can be accomplished at next meeting depends on our lawyers group. Mayself & J. Leonard may get involved in next land meetings. Can U.S. advise whether both status agreements have to be put to Marianas simultaneously?

JW: No don't have to be s is just JCFS desire for thor

HW: Need not both be on ballot?

JW: Correct, What will be on ballot U.S. thinking since Carmel is that

free association. Will have to resist JCFS desire, to have Marianas vote on free association either simultaneously or before their vote on Communication.

MH: Any anticipation of timing on plebiscite for free association?

JW: No conclusions as yet. Issue is whether to vote on COM constitution first or status agreement on vote on land to status.

MH: Why need to have plebiscite in Marianas first.

JW: Need to have determination of Marianas status prior to constitutional convention.

HW: Next/session be 2-3_weeks?

JW: Hope it will be a "windup" session. .

HW: Agree

JW: Depends on outstanding issues.

HW: Outstanding issues could require another 2-4 weeks.

JW: Also is tight due to fact need to have Marianas District Legislature pass on agreement.

HW: That's right, it is tight.

Agenda Item_5(b)

JW: Seems group got down to item 5(b) so lets start here.

HW: How to handle outstanding issues? Perhaps M. Helfer - Herman Marcuse could establish such a list.

MH: Will send over a list to U.S.

HW: U.S. draft has a formula for applicability that will come into effect upon termination of trusteeship agreement or earlier by President.

betweel off outstand. I Concerned zoon 1st - Why U.S. President descretion to determine 1 UN factor?

No problem with U.N. This w U.S. 6 res forestelds;

HW: 2nd - Financial aid | laws. Great bulk of U.S. applicable laws which form basis for MPSC Phase II levels. If delay application, then need to reuse these levels.

ard - Need early resolution of which is Federal Government and GOM as soon as possible via regulatory laws application.

JW: Not far apart at all. U.S. felt at beginning that USC approval and new constitution approved and new GOM ready, U.S. would go into Phase II. All of GOM would be effected that would be consistent with Trusteeship Agree-So, problems: Chi (all l'a commonwealth, no U.S. citizenship, etc. So, tle ## the basis for U.S. Presidential cdescretion. This is not arbitrary, will discuss. All done probably by Executive Order, a technical difference from Secretarial Order. HM to discuss other problems of concern.

HM: Have discussed some applicable federal laws U.S. has problems with U.S. citizenship. Protection of land interests versus Trusteeship Agreement to protect against alienation of lands.

HW: Are concerned with applicable federal laws wet face with unis,

HM: Yes, but this is part of the problem. Would hesitate to apply federal laws that evidence sovereignty. No problem with financial grants. Some problems with administrative statutes.

Need to identify those laws that won tapply.

General rule, everything should apply that can - need to identify exceptions.

HW: Agreed on goal - but need to identify exceptions for clients. Some concern that you can accomplish all of Phase I goals in 2 years. Need to find some interim formula with an acceptable Covort For exemptions or some mechanism that will determine the exemptions. If a mechanism, need to establish as soon as possible.

JW: Don't disagree, but there is a practical problem of whether you to betilimite all lives want an executive commission or approval by USC. The grant of the commission of approval by USC. The grant of the commission of approval by USC. The grant of the commission of approval by USC. The grant of the commission of approval by USC. The grant of the commission of approval by USC. The grant of the commission of approval by USC. The grant of the commission of approval by USC. The grant of the commission of approval by USC. The grant of the commission of approval by USC. The grant of the commission of approval by USC. The grant of the commission of approval by USC. The grant of the commission of the commission

MH: There are 2 different methods:

JW: Looked at more simpley. U.S. looked at an "interime" formula to apply laws then commission would review over long-term all laws to be applied. If this used, could still find specific exceptions to this applicability formula.

HW: Agree with this as a goal. MPSC conclusion that formula should be more than "interim" and could make more permanent and put into status agreement.

Interim formula would continue in effect after termination with exceptions?

JW: Yes, need to identify those statutes that would not apply until end of Trusteeship. There are alot of statutes.

MH: Have interim formula but give U.S. President to decide that certain laws cannot be applied until end of Trusteeship Agreement. This would give standard of review and assure MPSC.

JW: This is what U.S. had in mind.

HM: Could clearly provide application of financial laws.

MH: Yes_

HW: U.S. needs more flexibility and time than schedule permits. MPSC would like assurances as soon as possible but this is something U.S. would be working on during Phase I. i.e., should whole body regulatory laws apply (antitrust, food drugs, FCC, FAA) prior to termination?

JW: If applicable in Trust Territory at present, would apply.

HW: U.N. might look at this and object if all applied. We are talking about 2-3 years during which laws would apply.

JW: Case in point is selective service act. Making Marianas subject to it would be difficult.

AS: Making exceptions requires flexibility.

MH: U.S. President would have flexibility.

JW: Standard for USG. Applying would be to avoid conflict obligations of Trusteeship Agreement.

MH: Reviewable in court?

AS: Would be.

JW: Would be extremely limited.

HW: Under MPSC approach - all laws apply unless positive act of President, under U.S. no application until President act.

HW: Do we need to review "Review Commission"?

JW: Issues are composition, when to meet, what to do.

MH: When to come into exist U.S. - at end of Trusteeship Agreement, but in line with discussions here, lets do sooner. Both versions call for Presidential appointments.

Atte ('CHILLEIN OR A) Alcell Like's

HW: Need to have recommendations at time of termination not afterwards.

JW: U.S. will rethink.

HW: Need to have presented to USC and resolved before establishingt Commonwealth.

JW: Prefer to have Review Commission established during Phase I and better to have theme recommend to USC. USC can't react until they know how GOM will be established.

HW: Some official agency should be charged with handling these recommendations.

HW: MPSC would not want U.S. Government employees. Concerned that Commission should be composed entirely of U.S. employees; want outside diversity of views represented.

HM: Will Commission be important?

HW: May not be, depends on work done on interim formula. This is really a fail safe decree to get US lows extended to Muniques colucte WBC work

HM: Since package will be small - much smaller than Guam - USC should accept its recommendations.

HW: Can't have a formula without some safeguards (Review Commission) in light of experience with Guam. On the formula, some of the questions raised are the numerous exceptions.

MH: Put internal revenue laws aside.

JW: Agree

BK: U.S. should reply to MPSC approach

JW: U.S. would prefer to apply laws of Guam. We had not included exceptions because we had not heard from MPSC. Also continue application of TTPI laws if a conflict between them and those extended to Guam.

HW: No significant law applicable under formula that doesn't apply now to Marianas under TTPI.

JW: Correct

BK: Found laws that apply to Guam are those USC extended to TTPI.

MH: Grant Laws primarily extended to TTPI.

JW: Worried about those applied exclusively to TTPI and not Guam. Should continue to apply to Marianas.

HW: No laws exclusively for TTPI.

ADG: Are some federal laws enacted exclusively, i.e., Micronesian Claim Commission.

JW: True; this would be need to get a definitive list of laws applied only to TTPI and not to Guam.

HM: Have some applied differently between Guam and TTPI, i.e., pollution laws.

JW: Lets put question mark around this.

HW: Lets then get BC memo to list those applied to Guam - those applied to TTPI and which should be extended to Marianas.

What about Orders of Executive?

JW: Problem is one U.S. is going to have to address. Will have AdeG confer with BC on this matter. U.S. has 2 considerations on exceptions:

(1) USC; (2) if an exception for Northern Marianas where laws apply to Guam then problem of administration, i.e., Jones Act, does apply to Guam. U.S. is sympathetic to MPSC position and notes Won Pat's call for same treatment.

Yet, is a problem if don't have Guam and Marianas same tremendous problem.

MH: Only a few areas where Marianas would be treated differently from Guam: (1) minimum wage laws -, apply to Guam - don't want for Marianas; (2) public health service - not apply to Guam - want for Marianas. (these are not regulatory, but financial).

BK: Also note that Homestead applies in Puerto Rico - Virgin Islands but not in Guam; want for Marianas.

MH: Would be serious dislocations in local economy if federal minimum wage laws.

HW: Many felt that this statute meant it was a guarantee rather than what it really is: If we can find a way to have the commission undertake task or have delayed, like immigration, until end of Trusteeship Agreement.

JW: Will have to get USC reading and U.S. executive branch readings so lets come back to exceptions.

MH: As to interim formula, the two formulations are similar but some language changes. Waht is U.S. understanding?

HM: MPSC appears to eliminate statutes that relate to commerce within we sume.

a territory. U.S. not want originally and ____ have agreed.

JW: Need to draft language.

HW: Need also a new exception providing for Presidential exception.

JW: Need to keep as simple as possible for USC approval. Lets get differences set out and try to agree on some present language. Lets draft that we have agreed to and have a souble column split where we disagree. Leaves some very important items.

MEMCON

Participants:

J.M. Wilson, Jr.
Herman Marcuse
Andre Surena
Adrian de Graffenried

Howard Willens[:] Michael Helfer Erica Ward

Date: July 31, 1974

Time: 10:15

JW: Two items discussed since last week.

- A. Points for further resolution
- B. Interim application of laws formula

absence - not all inclusive of current outstanding issues. Installed whether the fiscillation the June 18. U.S. Consula is to appear the fiscillation.

Us nightly properly plant the present the present the property that the first the property that the property the plant of the first that the first the property that t

HW: Concerned formal approval by USC regarding chances of changes in Constitution.

(b) Potential for delay; want to move expeditiously for new Marianas government. U.S. Presidential approval expidite process. Recognize interests of USC so suggested waiting formula after which U.S. President acts if USC doesn't.

JW: Some USC interests, no definitive judgment of USC however. Prefer LC15

Executive Branch, is so Presidential Factor; consult more fully, however, with USC and proposed at time of consultation, the period of waiting formula proposed by MPSC.

HW: USC distinguish between status agreement and constitution approval?

JW: Can't say.

for "waiting Agree to draft formula? Yes, subject to consultation. Problem is getting USC to focus on issue at present Need to draft [to] 2 alternatives: (1) Straight U.S. Presidential approval; (2) Waiting period (30 days) Clause. Need an "unless" clause to trigger President action An the wacting Don't want "unless" clause but pure time clause (30 lus) AS: Waiting clause essentially a consultation process. res, would partie us president to check with vious of us congress JW: 17#2 manaras approval by its Constition. HW: Time, constitutional convention be a poly responsive instrument, true lead viluos Recognize USC concerns but may need more than I constitutional convention, on PR constitutional convention and hope USC less concerned if review both at same time. JW: U.S. Article IV more elaborate; where USC review 1st them go, to U.S. reviewed, in light of approval process for status agreement and having status plebiscite prior to submission to USC. So, USC may insist form and stanctured nment prior to giving approval and might same time or having a local constitution to look insist on seeing both at at before approving status. So, let's do plebiscite 1st prior to going to USC with constitution. answared in affirmative then.

(c), obviously answered in affirmative then.

ictroting province of Discussionally Projection before and considering applicability? of USCOUS

Yes and can drop (e), U.S. won't insis JW:

This trings us to was his fire Rg. What is is were HW:

(1) Procedural with considering political overturns - whether we should attempt to get into USC province by putting into status agreement; or whether USC should handle on its own)

(2) Substantive problem is what to include in the approach to USC.

HW: Both sides received same message - no representation for Muinus.

MPSC draft gave a non-voting delegate then delegate upon X level of well of population. On procedures - MPSC feels appropriate to have repair Washington

Rep. in status agreement; U.S. Executive intrusion into USC domain can be handled by noting that U.S. agreeing subject to USC review or in alternative a fall back to saying U.S. agreed to support MPSC desires before USC; MPSC wants in draft agreement flook at as a Magna Carta for Marianas. MPSC wants...

to know if U.S. has approach USC on this issue of rep. in USC, and want

consideration by USC.

JW: 2 comments - (1) is a subject to be treated as part of whole Addison arrangement and recognize Marianas wants an answer before they vote; (2) don't want to put in agreement something which will kill it; could have exchange of letters confirming VS support; or, letter to USC on this giving support to MPSC desire. Need to consult with USC on substance and how to handle on substance, is sympathy for rep. when local population reaches level as say in VI; also, USC may want to put Guam and Marianas together in future and if when the substance is supported to USC that this is an obstacle in USC that this is

HW: Per original MPSC draft, Marianas would be rep. by Guam but MPSC rejected; wanted an America Samoa rep. rather than share Won Pat. Want MPSC to reconsider if USC can note they could share Won Pat until X population and own rep.

3

HW: Is true; if Marianas reaches 50-60,000 and a separate rep. could will player.

act as a barrier; would like to present alternative to MPSC that could share numbered date.

JW: U.S. executive has been sympathetic to MPSC desires. Think best approach is put squarely to USC to see if they could accept MPSC approach.

Won Pat has been approached, and chuckles in a friendly fashion.

MH: Don't want Won Pat to find out from Chairman - would want him to find out from USG. So as to get him on out side.

JW: Agree - we have good relations with Won Pat, willers is respondence.

HW: Problem is how he could represent differing interests between

Guam/Mariana Islands a USRepleculative has

JW: Same problem with Carson City and Reno.

We

HW: Need to have our MPSC Chairman spend some time on hill and Sthem

acress the table to see if the USC will deny refinered to the Mission.

JW: Lets put this on a special consultation bearing.

As the status as

HW: A need for America Samoa type rep. 103 ?

JW: No problem.

HM: America Somoa procedure is not to have anything in agreement.

HW: But MPSC wants in agreement. Relieve Some has its assured for

AS: Isn't basic difference rights on hill seed lapse

HW: No more rights on hill than I do.

JW: Defin America Samoa have a special statute?

MH: Early PR kithon, Devided Continues recognized in one of the Organize

acts (in early 1900's got letter from Gov. certifying - MPSC will check.

JW: Land alientation issue; this may be one we ought to "split"

(noting differences in approaches) since MPSC not want to be required.

Constitution.

that willally

MH: Want a provision/specify permit vice require Marianas Government to regulate land alienation.

HW: U.S. seems to look for a commitment by Marianas leaders they will support such restriction. If this is true could do outside by letters But, if U.S. doing due to USC reactions, MPSC feels USC not want mandatory provisions today as they did 10-15 years ago. Is legal contrary to U.S. experience.

MH: Difficulty is (1) growth of Marianas where not advisable to have

land restrictions and (2) whether bear authorities have right to make their

sur all investing or this during that water.

the requirement is paterwhite. Want to prevent in Marianas what is interested happening in Guam/Hawaii; tut out, face Eswar act for a custum pluss.

JW: Aside from liberal tendencies of USC members, is that some Marianas residents may otherwise wake up they have lost their birthright.

HW: How can Japanese investment Guam reduce dep. on USG? problems?

JW: (1) take over public of for private use (2) depriving local people of means of livlihood by the standard and an increase in U.S. grants to the standard standard second tion sales

MH: Loss of jobs may have to do more with immigration than Joss land.

JW: Fong gave U.S. long lecture about foreign investments.

HW: Mink dubious about Hawaii public land approach.

JW: Burton adamant; is behond mandatory requirement.

HW: How about a "time duration"? Clause

JW: Is new, will consider.

AS: Don't understand MPSC views . T. Volly the

MH: As economy becomes more sophisticated riew ways to hold wealth, and want to own corp. shares in lieu of land; on Guam, problem is selling for too low a value.

06-416466

U.S. will think about MPSC "time" approach for requiring Marianas restrictions on law law sucustion. to include in constitution or through local laws. MPSC draft contains both. MH:

Recommend be in Constitution. HW:

Conviouwealth How about soft approach for inclusion into constitution. really up to Marianas whether they want in constitution or regulate through local laws.

As to #2 of land issue, could agree it is against U.S. legal tradition, especially if a "right winger" in & Casus.

Is same argument as Hawaii land act.

Don't want it in Constitution, would have M.L. Authority control HW: recland alconation issue handled ledurn of public lands USC input?

Strong USC sentiment in favor of requiring take petition states

Believe they are more flexible://www.iiisviductus.

HW: A Problem is keeping public land from being chewed up into small helder via homesťading.

Issue is normally considered "internal matters" outside preview of USG, so should be addressed here in the agreement before

HW: U.S. satisfied with just recognition that Marianas will regulate; and no problem with having any limitation? Yes, up to Marianas to determine exact extent of land holding.

Exect regulations would be in MLA charter. HW:

Thing to do is draft with a "split" approach; U.S. will go back to USC with it.

A U

HW: U.S. should note that MLA charter will address this issue.

JW: OK

JW: 1 man, 1 vote problem; not sure Marianas concerns are clear.

Und Sight down of the University of

HW: Rota and Tiniah concerned that Saipan majority would have disproportionate influence; some separatist feelings and some legal risks to having an upper house based on a non-population basis. 2. Court for Maline this.

JW: Proposal would be bicaperal?

HW: Wouldn't want to specify address in agreement. Is a problem, e.g.

1 representative from Tinian in MDL, yet he repronly 680 vice 10,000 in

Saipan. This is an internal matter for Marianas Constitution to address, U.C. only want to preserve that option for flow to wish.

AS: If we had this almost certain USC would want to review Marianas constitution.

HW: Hadn't thought of this. Is a good point.

JW: Problem is too much gov. for TTPI of problem

HW: True; simpliest problem is to ignore, but then Tinian/Rota may

feel ignored so that they may insist their concern must be protected.

JW: Our problem is USC, has not been discussed.

HW: Reynolds & Sims Lucas v. Colorado provide the basis; (1) no independence right for rep. by co. in a state legislation as state is sovereign and can alter alegnments of boundaries and (2) Sittly last the sovereign JW: "At large rep." as Guam -? result

MH: Rota - Tinian have no rep. a - Policy Constitution of the cons

JW: Maybe, maybe not.

HW: Want either an upper house or a single house that gives more rep. to Tinian/Rota than they now have.

If rep. basis would have Rota = 1; Tinian = 1 Saipan = 15. propered non-population basis Our scheme would have 4/5 for Tinian and several for Rota vice 1 representative. What about ignoring issue. If ignored, then no protections to Tinian and Rota from USC_that they could have interests represented in constitutional convention. I we a : 12 are assembly for the Communicality. MH: Equal protect clause of 14th amendment. If we go to a bicameral legislature under local constitution, and then a court case overrules it, then what? MH: If courts rule against then reapportion houses by population? Mr Jacke legal argument could be made that exception to 14th like exception for land alienation clause in unconstitutional. How is replaced? Would base population on Tinian be counted? Will research. & captions y while the contract of the Mutual consent items discussed earlier. As to these we want to keep as few as possible. No changes in citizenship without USC approval; no financial changes after approval as would be breach of faith. MH: Politically, is desirable to address fact that U.S. citizenship not to be taken away in status agreement. MPSC recuters and the first line to. Could draft into the Article but not make subject to mutual consent. Yes; and would still apply 14th. assertment clause.

JW: Lets try drafting: lin 1600.

HW: If U.S. view it is enforceable obligation can we get language to

this effect?

JW: Yes.

internal newscut

JW: Membership in International and Regional Organizations. Problem MULTER KUL uma. is Guam and other territories; discussion is raging argument, no final decision. This is reason U.S. draft deleted the provision from its covenant. It has Will be resolved shortly and U.S. can then address.

What is State view.

AS: Not resolved; U.S. State Department has problems with actions by territories that conflict with U.S. foreign policy, Best territories could expect would be "associate" membership; give opinions but no vote. I with the fluid that Tenidalis not present Conflicting The US JW: So we'll have to put on shelf - should resolve in a month - 2 more - should resolve in a month - 2 months or flee matter , however,

See why need uniform treatment, I member (Palacios) feels that loss of Marianas of associate membership right in U.N. organizations would inhibit growth potential of Marianas.

AS: Some membership requires dues; certain memberships may not return the same benefits and MPSC should address this.,

has told them ADB is not for Marianas so, there are some not of benefit to したがと、名はなる Marianas.

JW: Same problems in Guam and Puerto Rico. U.S. needs time to resolve is out of our hands here in the office.

On Application of Laws. Understand a new draft available. (illached

Yes - need to meet again. MH:

Mant group to review before discussing. And in light of Act in light of U.S. agreement for U.S. loans to farmers cooperatives; applicable laws provision on drafting, want to draft in "fool proof" fasinion then simplify exceptions

HW: Where do we start, drafting? an read

JW: Let's start from top of agenda, drafting process should clarify areas of agreement and disagreement.

HW: Can get through agenda by next week if we can meet twice next week. Will be going to the Marianas week after and want to discuss areas of agreement/disagreement with client.

JW: Let's meet next Tuesday/Thursday at 10:00, J. Wilson's office.