

OFFICE FOR MICRONESIAN STATUS NEGOTIATIONS
WASHINGTON, D.C. 20240

September 26, 1974

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MEMORANDUM

To: C. Brewster Chapman, Jr., Assistant Solicitor, Territories
From: U.S. Deputy Representative for Micronesian Status Negotiations
Subj: United States Legal Rights in the Military Retention Lands
in the Marianas--the Issues Raised in Extending or the
Continued Employment of the Existing Leases

A major concern which has been raised during Marianas III and IV and during the current meeting of the U.S.-Marianas Land Committee is the legal status of leases under which the United States Government has an indefinite right to use and occupy certain lands in the Marianas. It is hoped that a strong case can be made to show that the leases need not be renegotiated upon termination of the strategic Trust Agreement.

By way of background, in 1955 the United States set aside a portion of both public and private lands to be held as "retention land", embracing 22,500 acres on Saipan, Tinian, Pagan and Nafutan Rock. The United States paid a lump-sum of \$42/acre for indefinite use and occupancy in the total amount of \$984,000. The price used was based on the value of the land reflected in purchases and sales made between 1932 and 1944.

The Agreement for the Saipan District (representative of the Agreements entered into by the United States) dated 9 July 1944, provides for the use and occupancy of the land for an indefinite period of time, the lease to be held so long as the United States "has a use for said land", such use "to be consistent with the Trusteeship Agreement".

Specifically, the question I am asking you to review and provide a legal opinion on by October 4, 1974 is:

Whether the leases survive the termination of the Strategic Trust Agreement or the change from government by the administering authority to a new form of government.

The issues raised under this concern are (a) whether the United States would be compelled to renegotiate its "leases", once the Marianas become a Commonwealth of the United States, (b) whether under international law there is a survival of such rights when governments change, (c) whether the leases were in any way subject to the operation of the Strategic Trust Agreement that qualified their reach as well as their continuation once the Agreement was terminated.

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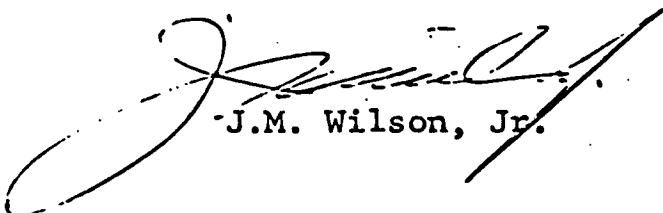
Additionally, I would appreciate your opinion on the following:

a. Will the military retention agreements be upheld if there is no evidence of translation of the lease agreements (between the United States Government and private owners and between the TTPI and private owners)?

b. Will U.S. federal courts uphold "indefinite use" agreements?

c. Will the federal courts uphold these agreements although they were entered into between a Trustee and the beneficiary?

d. What effect, if any, does the language of the United States Policy Statement of November, 1973, Paragraph III, Policy Determinations, "... will be free to modify them as it chooses" have on the matter?



J.M. Wilson, Jr.

cc:
Mr. Johnson, State/L
Mr. Marcuse, Justice
→ Mr. Almond, DOD