DRAFT: JAN. 22, 1974

EL FER

FIFTH CONGRESS OF MICRONESIA

SECOND REGULAR SESSION, 1974

A BILL FOR AN ACT

- = New = dated

To allow the transfer and conveyance of certain public lands from the Government of the Trust Territory of the Pacific Islands to legal entities in each of the six districts; to empower the High Commissioner to effectuate such transfers and conveyances; to prescribe certain limitations, reservations, and conditions to such transfers and conveyances; and for other purposes.

BE IT ENACTED BY THE CONGRESS OF MICRONESIA:

Section 1. <u>Short Title</u>. This act shall be known as
 the "Public Land Transfer Act of 1974."

3 Section 2. Purpose. The purpose of this act is to effectuate the provisions of the Public Land Policy Paper 4 of the United States Government dated November 2, 1973; to 5 authorize and empower each of the six district legislatures 6 7 ' to create or to designate a legal entity or entities within · 8 ¦ its district to hold title to public lands within that district in trust for the people thereof and to manage and 91 10 to control the same; to authorize and empower each district orto designate. 11 legislature to establish adjudicatory bodies which may 12 utilize traditional means, when desired, for settlement of 13 title to lands transferred; and to authorize and direct the 14 High Commissioner to convey permanently certain public lands 15 within a district to such legal entity or entities.

Section 3. <u>Definitions</u>. As used in this act, unless it is otherwise provided or the context requires a different construction, application or meaning:

"District" means any of the six admin-(1)1 istrative districts of the Trust Territory of the 2 Pacific Islands as described in Section 1, Title 3, 3 of the Trust Territory Code. 4 "District Legislature" means any of the (2)5 six chartered district legislatures of the Trust 6 Territory of the Pacific Islands. 7 "Public Lands" means: (3) 8 (a) Those lands defined as public lands 9 by Sections 1 and 2, Title 67, of the Trust 10 Territory Code, and, 11 Those lands placed under control of 12 (b) the "Alien Property Custodian" as defined by 13 Section 1, Title 27, of the Trust Territory 14 Code. 15 "Legal Entity" means any chartered district 16 (4) government, non-profit corporation (either public or 17 private) \, individual, association, partnership, for 18 any lawful person (whether natural or artificial), 19 legally competent to receive and hold title to real 20 and personal property pursuant to law. 21 Authority of District Legislatures. Each Section 4. 22 district legislature is hereby empowered to enact laws: 23 To create or designate a legal entity 24 (1) or entities which shall have the powers and duties of: 25

(a) receiving and holding title to public lands in trust for the people of the district;

3

5

6

7

8

9

10

11

12

13

for other interests in land.

overfer

mestan

lans d

distric

regulation a administering, managing, and con-(b) Grolling such public lands and income arising therefrom in trust for the people of the district, including the sale, lease, exchange, use, dedication for public purposes, or other disposition of such public lands; and

(c) entering into contracts, bringing suit, being sued, and exercising such other powers as may be necessary or appropriate in furthering the purposes of this Act;

14 and to establish reasonable procedures of general applicability for the exercise of such powers and duties. 15 , or to designate the displict's Land Commission

16 (2)To establish an adjudicatory body to resolve 17 claims and disputes to land transferred to such legal 18 1 entity or entities, provided however, that no such body 19 shall ever endeavor to redetermine any matter already decided between the same parties or those under whom 20 the present parties claim, by a court judgment, Land 21 Title Officer's determination of ownership or Land 22 23 Commission determination of ownership. Such bodies 24 shall accept such prior determinations as binding on 25 such parties without further evidence than the judgment

or determination of ownership. All adjudications of the body shall be recorded with the District Registrar and with the Clerk of Courts.

1

2

3

4

5 '

6 '

7

8

9 |

10 1

11

12

13

14

15

16

17

18

19

20

21

Maxe

To establish procedures for the operation (3) restablished pursuent to subsection (2) hereot of such adjudicatory body which may include traditional means not in conflict with existing law, provided however, that requirements of due process are incorporated therein which shall include trial de novo upon appeal to the High Court by any party to such a dispute aggrieved by the adjudication of the district adjudicatory body.

To authorize the legal entity or entities (4) created or designated pursuant to subsection (1) 1 or the district gover nment or both hereof to exercise the right of eminent domain for public use pursuant to district law and to establish procedures therefor.

To establish a program for homesteading on (5) the land transferred to the legal entity or entities created or designated pursuant to subsection (1) hereof and to authorize such legal entity or entities to administer such program.

22 Section 5. Authority of the High Commissioner. Subject to the other provisions of this act, the High Com-23 or to cause to be conveyed missioner is authorized and directed to convey to the legal 24 entity or entities created or designated pursuant to section 25

4

4(1) in any district all right, title and interest of 1 the Trust Territory of the Pacific Islands, including 2 the right to receive rents, royalties and other similar 3 payments, in and to all public lands and other lands in 4 5 such district. All rents, royalties and other revenues derived from such land, accrued from the effective date 6 hereof until the date of conveyance, shall be payable on 7 the date of conveyance to the legal entity or entities 8 to which the lands are transferred. 9

Section 6. <u>Reservations</u>. Notwithstanding the provisions of Section 5 of this act, the High Commissioner shall not convey any interest in lands in the following categories to a district's legal entity or entities:

14

15

16

17

18

19

20

21

22

23

24

25

All interests in public lands and interests (1)reasonably found by the High Commissioner to be in active use in other lands actively used by the central government of the Trust Territory of the Pacific Islands or by agencies or instrumentalities thereof as of the effective date of this act. Such interests in land in a district shall be transferred to that This act 1 in accordance with section & district's legal entity or entities immediately upon a determination by the High Commissioner that such interests are no longer needed $\overline{\mathbf{P}}$ active use by the central government.

(2) Interests in public lands specifically <u>Mayond Wis</u>, determined by the High Commissioner to be needed

within a period of five years from the effective 1 2 date hereof for capital improvement projects 3 announced before the effective date hereof. Such Tymisad_ interests in a district shall be transferred to maccor dance with section & that district's legal entity or entities imme-5 6 diately upon a determination by the High Commisreasonables sioner that such interests are no longer needed 7 8 for capital improvement projects. 9 (3)Public lands to which there are unper-10 fected homestead claims as of the effective date 11 hereof based on applications for homesteads approved prior to January 1, 1974, provided however, 12 that if such claims are not perfected within the 13 14 time periods prescribed by sections 207 and 208 of Cture of 15 title 67 of the Trust Territory Code, such lands in in accordance with see here a district shall immediately be transferred to that 16 17 district's legal entity or entities. [Alt.] All public lands in a district identified 18 <u>1</u>] (4)19 by the United States as required to meet defense 20 needs under the terms of proposed future political 21 status arrangements with the United States, unless 22 that district's legal entity or entities agree to 23 enter into a covenant with the United States to 24 provide for the accommodation of such needs in the 25 future.

[Alt. 2] (4) All public lands in a district identified by the United States as required to meet defense needs under the terms of proposed future status agreements with the United States, unless that district's legal entity or entities provide a formal commitment to accommodate those needs in good faith on terms to be mutually agreed with United States authorities.

1

2

3

4

5

6

7

8

16

17

18

19

20

21

22

23

24

25

regotiz hor

9 Section 7. Limitations. Notwithstanding the provisions of section 5 of this act, the High Commissioner 10 et changer shall not convey any 11 public land or interest in other land to any district entity or entities unless the dis-12 trict's legal entity or entities $agree_{A}^{m,j}$ or the district 13 legislature enacts legislation providing, until the 14 termination of the Trusteeship, for: 15

(1) reservation of the paramount and ultimate
 power of eminent domain in the central government
 of the Trust Territory of the Pacific Islands;

(2) reservation of the right of the central government of the Trust Territory of the Pacific Islands to regulate all activities affecting the public interest in and to tidelands, filled lands, submerged lands and lagoons;

(3) compliance with all valid and enforceable provisions of leases, and land use agreements with

respect to such lands previously entered by the 1 Government of the Trust Territory of the Pacific 2 Islands, its agencies, or its political subdivisions; 3 (4) continuation of possession by tenants at 5 ! will and of tenants by sufferance occupying public land as of the date of the conveyance thereof for a 6 reasonable period of time to be determined by the 8 High Commissioner; 4(1)(b); 5> OLD 7(5) re revenues; see new 9 all transfers and conveyances to be subject (5) to all unresolved claims relating to such land; and 10 11 holding the United States Government and (6) the Government of the Trust Territory of the Pacific 12 Islands and their agencies or political subdivisions 13 harmless from any and all claims with respect to the 14 conveyed land, other than those claims resulting 15 16 directly from the actions of the United States Government, the Government of the Trust Territory of the 17 in the state and 18 Pacific Islands or from the agents of either. (8) ve construction i (9) ve house beauding [see 6(3)] 19 Time of Transfer and Conveyance. Section 8. The High Commissioner shall convey or cause to be conveyed all right, 20 21 title and interest of the Trust Territory of the Pacific lands 22 Islands to all public and other lands not required to be 1 ma district to that district's reserved by section 6 to the legal entity or entities in-23 each district created or designated pursuant to section 4(1)24 within 60 days after the High Commissioner determines that 25 , including the right to receive rents, royalhes and other similar payments, in and

bleterer w/o unveas delaget it the district legislature and such entity or entities 1 2 have complied with the provisions of section 7; and 3 such transfer shall not be dependent upon compliance Δ in any of the other districts. Within 60 days after 5 any land subject to section 6 is no longer required to be reserved by the terms thereof, the High Commissioner 6 such interest shall convey such land or cause it to be conveyed to 7 8 the respective district's legal entity or entities, if he determines that the district legislature and the 9 10 entity or entities have complied with the provisions of section 7 of this act. 11

12

22

23

24

25

Section 9. Amendments.

13 (1)Section 2 of title 10 of the Trust 14 Territory Code is amended to read as follows: 15 "Section 2. Power denied private corpora-16 tions. No private corporation except as autho-17 rized by a district legislature pursuant to the 18 provisions of the Public Land Transfer Act of 19 1974 shall have the right of eminent domain in 20 the Trust Territory." rest of emdom 21 Section 112 of title 67 of the Trust

Territory Code is hereby amended to read as follows: "Section 112. Conduct of hearings. In conducting hearings, each Land Commission and each land registration team shall be guided by, but need

9

1 not conform to, the Trust Territory Rules of 2 Civil Procedure and the Rules of Evidence. Each Commission and each registration team is 3 authorized to consider such evidence as will 4 5 be helpful in reaching a just decision. 6 Neither a Commission nor a land registration 7 team, however, shall endeavor to redetermine 8 any matter already decided between the same 9 parties or those under whom the present parties 10 claim, by a court judgment, Land Title Officer's 11 Determination of Ownership or adjudication of any other statutorily established land adjusticatory 12 13 body. All Commissions and land registration 14 teams shall accept such prior determinations as 15 binding on such parties without further evidence 16 than the judgment or determination of ownership. 17 All hearings shall be public and every person 18 claiming an interest in land under consideration 19 shall be given an opportunity to be heard. Hear-20 ings must be held in the municipality in which 21 the land involved lies and when practicable shall 22 be held in the village in which or near which the 23 land lies. All parties, including any representative (appointed under Section 113 of this 24 25 Chapter or by a court or other proper authority)

Charry C

. . . of a minor or incompetent, may be represented and assisted by counsel."

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

(3) Section 11101 of title 57 of the Trust Territory Code is hereby amended to read as follows:

"§ 11101. Restrictions upon land ownership. Only citizens of the Trust Territory or corporations owned wholly by, or nonprofit membership corporations all of whose members are, citizens of the Trust Territory may hold title to land in the Trust Territory; PROVIDED, that nothing herein shall be construed to divest or impair the right, title, or interest of noncitizens or their heirs or devisees, in lands in the Trust Territory held by such persons prior to December 8, 1941, and which have not been vested in the Alien Property Custodian by Vesting Order dated September 27, 1951, or, if vested, are released from the terms of said order by direction of the High Commissioner; PROVIDED FURTHER, that nothing herein shall be construed to prevent the Government of the Trust Territory from holding title to lands in the Trust Territory; AND PROVIDED FURTHER, that this Section shall not apply to cooperative associations and credit unions duly organized and incorporated

- 11

only private Count pursuant to the laws of the Trust Territory." 1 New odjud bo di Section 10. Other Laws. Lands held by any 2 district legal entity or entities created or desig-3 nated pursuant to section 4(1) shall not be deemed 4 "public lands" or "alien property" for purposes of 5 the Trust Territory Code; provided however, that the 6 Chief of Lands and Surveys shall complete the 7 cadastral program referred to in the Public Land 8 Policy Paper of the United States Government dated 9 shall be completed. 918_ November 2, 1973, with respect to such lands; and 10 provided further, that for a period of two years 11 after the date on which land is first transferred to 12 a district's legal entity or entities pursuant to 13 this act, the District Land Office in that district 14 15 shall, at the request of the district legislature, and under the direction of the district's legal entity 16 17 or entities, continue to perform land management func-NOT MUCONNA tions with respect to any land held by the district's 18 legal entity or entities. 19

morrison

NOT ALCOME

nd cots

Protection of Rights and Powers. 20 Section 11. No officer or employee of the Trust Territory of the 21 Pacific Islands shall take any action in derogation 22 of the legislative and contractual rights and powers 23 of the district legislatures or the district legal 24 25 entities or adjudicatory bodies designated or created 1 under this act.

20

2 Section 12. Effective Date. This act shall
3 take effect upon approval by the High Commissioner,
4 or upon its becoming law without such approval.