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October 15, 1974

MEMORANDUM FOR THE MARIANAS POLITICAL STATUS COMMISSION FILE

Subject: Conversations with Interior Department re Public Land on October 11

1. Stephen Sander told me that he has turned over his responsibilities with respect to the Marianas District Legislature's public land bill to Emmett Rice. Rice later in the day returned the call I had made to Sander.

2. Rice has been told that the District Legislature's bill was officially presented to the District Administrator on September 27, and is presently working on the assumption that it will become law unless vetoed by October 26. He believes, however, that the bill was in fact presented to the District Administrator after the 27th and that he may have a few more days.

3. Rice sees the following problems with the District Legislature's bill:

A. The District Administrator is an official of the TTPI; neither he nor the TTPI can be sued without the TTPI's consent. Rice concludes that the District Administrator is therefore not a legal entity within the contemplation of the United States Land Policy Statement.

B. Rice thinks the bill puts the District Administrator in a position where he will have tremendous conflicts of interest. He may have to sue the TTPI to obtain the return of land, for example, or to quiet title to land. In any event, he will have to negotiate with the TTPI on the terms of the land transfer. As an employee of the TTPI, the District Administrator, in Rice's view, would be hard put to follow the laws passed by the District Legislature with respect to land, do his job as a TTPI employee, and at the same time administer the land for the benefit of the people of the Marianas.

C. Rice believes that language in the beginning of the bill limiting the authority of the District Administrator to dispose of land to which claims or disputes exist is an attempt to get around the prohibition in the Policy Statement against the reopening of old claims.

D. Rice believes that the District Legislature was attempting to require the TTPI to bear the cost of the administration of the land while getting the revenues from the land for itself.

4. I told Rice that we too shared some of these concerns. I told him that Jim Wilson had raised the additional question whether the District Administrator would be an appropriate landlord to enter into a land-use agreement with the United States. Rice responded that from a public relations point of view, the District Administrator might be inappropriate. He noted, as well, that the same argument which can be used against the military retention land agreements could be used against the future land-use agreements if the District Administrator enters into them on behalf of the Marianas. Rice characterized this argument as being based on the absence of an arm's length transaction.

5. Rice also expressed the view that the District Legislature had put the cart before the horse by enacting this legislation prior to the enactment of a public land bill by the Congress of Micronesia. In Rice's view, the District Legislature should have waited, and should now pass a resolution asking for the return of the public lands, as the High Commissioner has suggested.

6. Interior does not have an official position on the District Legislature's bill. Rice's comments were given to me "off the cuff." Since what Rice characterized as "basically an internal matter" is involved, it is possible that Interior will not send any directions to the District Administrator or High Commissioner. Rice said that the TTPI government is doing its own review of the bill.

7. I discussed with Rice the reasons that the District Legislature had rejected the corporation proposal. Rice was full of praise for this proposal. He thought it was rejected partially because of its complexity, but primarily because the District Legislature did not want to give up its power to another political entity.

8. On a related matter, Rice asked me about input from the Marisnas on the latest draft of the Joint Land Committee Report. I told him I had none. He said he had

heard that White and Tenorio are drafting a new report. He also told me that Tenorio's news release was in violation of the agreements made by the members of the Joint Land Committee. Rice added that, as reported in the Pacific Daily News, Tenorio had incorrectly stated that the United States would build schools on Tinian.

~~Michael S. Helfer~~
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cc: H. P. Willens
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J. Leonard