

Islands for each of the seven years following the effective date of this Section:"

- Also prepared as indicated earlier to put language in negotiating history to effect that failure to appropriate funds on time would constitute dispute under Article IX and could go to courts pursuant to terms of that article if not satisfactorily resolved in reasonable period of time. This would have same effect as MPSC suggestion of last Friday.
- Believe this should take care of mutual consent problem and we would therefore hold to position that 702 not be included on mutual consent list.

15. Section 704(c). Constant Dollars

- Prepared to accept MPSC Counsel suggestion of last Saturday that FY 1975 constant dollars be figured from beginning of FY 1975.

16. Section 804

- Would appreciate knowing what changes in Isely joint use agreement the MPSC proposes.

17. Section 805. Land Alienation

- The U.S. is prepared to add this section to mutual consent list if MPSC prepared make provision mandatory.
- Agree with counsel there are many problems of definition and detail involved but believe most of these should be handled by the Government of the Northern Mariana Islands for itself in its own legislation and any basic questions of definition might be covered in negotiating history.

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- Drafting committee can look at latter.
- Question of last bracketed sentence still remains, and would appreciate further MPSC views. (Limitation on holdings)

18. Section 806. Eminent Domain

- Agree to your proposal that we defer mutual consent aspects until substantive issues resolved.
- Would like to see following modifications in language of 806(a):
 - a. delete "will respect" and substitute "respects"
 - b. delete "by careful and reasonable selection".
- With regard to MPSC version of 806(c) have reexamined language and remain unable to accept suggestion that the Congress must act specifically to approve the exercise of eminent domain in the Marianas or that any time limits or reversions should be provided for.
- Consider that legal procedures and due process that have provided protection for every other American through long trial process should be also adequate to protect Marianas interests. We prepared to review with Commission procedures and due process.
- Arbitrary action by government agencies nowadays is simply impossible.
- It would seem to us whether or not Washington representative casts a vote in these circumstances is essentially irrelevant.

19. Section 901. Washington Representation

- Must say again that we are sympathetic to MPSC viewpoint but Congress has indicated solid opposition and this goes for every single member thus far consulted.

- Matter strictly one of Congressional prerogatives.
- U.S. therefore cannot go along with putting anything on this in the Covenant if we know in advance Congress will reject entire Covenant because of this one issue.
- Possible alternative is for Marianas to ask to share Guam representative for time being (which could possibly be an arrangement additive to having own Marianas resident representative who would work closely with Guam representative).
- All of this (the process of getting non-voting delegate) likely to take some time, as it did in case of some other territories. So results should not be prejudged.
- Recognize MPSC feels strongly on this and if it so desires would be willing to arrange special meeting in Washington for representatives of MPSC and members of U.S. Congress on the subject as soon as feasible to all parties considered.
- On Secretary of State vs. Secretary of Interior willing to change to former, subject to a reservation that further consultation may be necessary.

20. Section 903. Consultation

- MPSC counsel suggestion in drafting committee on Saturday that the effective date to time of approval of Covenant be changed is acceptable to the U.S.

21. Section 904(c). Membership in Regional and International Organizations

- Regret answer this time is no.

22. Section 1001. Approval--Plebiscite

- MPSC proposed change is acceptable re voter qualification, with possible minor technical modifications in language.

23. Section 1003

- Wish to correct for record an impression on part of MPSC that U.S. may be dragging its feet in bringing trusteeship to a close.
- JCFS, not U.S., suggested long transition period. U.S. proposed 1980. JCFS - 1981 to 2000.
- U.S. has also taken consistent public position in U.N. and elsewhere that the trusteeship will only be terminated for all districts simultaneously, and it is not prepared to modify this position.
- Believe Marianas will be provided for under Phase II in any event, and will certainly enjoy almost all privileges of commonwealth during that time except becoming citizens.

24. Section 1007

- Will be glad to discuss under heading of transition and separate administration.