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POSITION PAPER
OF THE
MARIANAS POLITICAL STATUS COMMISSION

The Marianas Political Status Commission appreciates the efforts of the United States Delegation to resolve the major outstanding issues in these negotiations. We will try to respond in a similar spirit of cooperation and desire to bring these negotiations to a successful conclusion.

December 17, 1974

16- 401395

Land Issues

1. Method of Acquisition. The Commission is very pleased that the United States is prepared to accept a 50 year lease with an option to renew for another 50 years for the land which is being made available by the Marianas for defense purposes. The Commission accepts the position of the U. S. Delegation that there should be only a single lump sum payment for this lease.

2. Price. The Commission has considered the new offer which the United States presented yesterday. This is our response:

a. Farallon de Medinilla (206 acres): The Commission accepts the U. S. offer of \$20,600.

b. Isley Field (485 acres): The Commission has carefully weighed the alternatives which the U. S. Delegation has presented to us: either accept the U. S. offer of \$482,000 or keep the land involved. The Commission has decided that its long-term economic interests are best served by keeping the 485 acres. Therefore, the Commission declines the U. S. offer of \$482,000.

c. Tanapag Harbor (177 acres): The Commission has considered the alternatives which the U. S. Delegation has presented regarding this very valuable parcel of real estate: either accept the U. S. offer of \$2 million with various conditions or keep the land involved. The Commission

believes that the United States offer of \$2 million is in the best interests of both the United States and the people of the Marianas. Accordingly, we have decided to make the land available under the general terms put forward by the United States. We are sure that implementing language can be worked out in the technical agreement to deal with the following concerns of the Commission.

First, the Commission obviously will like as firm guarantees as possible regarding the availability of United States funds and expertise in developing the park. If possible, we would appreciate any further assurances which you can provide regarding the availability of federal grants which could be used to develop the park as quickly as possible.

Second, the Commission generally accepts the idea of a restriction on the income to be derived from the \$2 million to be paid by the United States for this property. The Commission believes that the language defining the permissible uses of this income should be as flexible as possible. We agree that the first priorities should be the development and maintenance of the park. If not all the money is needed for these purposes in the distant future, we believe that the money should be available also for other recreational, conservation, cultural or similar public purposes throughout the Marianas.

Third, the Commission assumes that the approximately

44 acres to be leased back to the Government of the Northern Marianas at a nominal price will in fact be available for appropriate economic development. We understand that only harbor-related activities will be permitted. In order to encourage such activities, however, it will be necessary to be able to offer substantial leases (for example, ten years) and to permit construction of warehouses and other facilities customarily found in port industrial areas. We believe that you share these same objectives and that mutually acceptable safeguards can be provided in the technical agreement.

c. Tinian (17,799 acres): The Commission is prepared to accept the U. S. revised offer of \$17,500,000. The Commission has decided also to support the request of the Tinian Municipal Council that 3% of this amount be available for the needs of the people of Tinian.

In short, Mr. Ambassador, the Commission is prepared to accept a total of \$19,520,600 for the acreages described above at Farallon de Medinilla, Tanapag Harbor, and Tinian. Once you have assured yourself that my arithmetic is correct, I hope you will agree that--as we Americans say--we have a deal!

Compensatory Economic Assistance

We are pleased to accept your ^{proposal}~~propasal~~ to recommend \$500,000 annually during Phase II for economic support to compensate for the change in military plans for Tinian. And we understand your very practical concern to specify the programs to be funded with compensatory support funds. We have the following comments on your specific proposals for low income housing and special training funds:

1. Low Income Housing Funds. The Commission appreciates your proposal to recommend \$250,000 per year during Phase II to fund a housing authority which will have specific responsibilities to finance housing for low income families. By making such financing available, the personal disappointment of many who were anticipating military base job and economic opportunities will be eased.

Because several members of the Commission have personal and professional knowledge of low income housing requirements in the Northern Marianas, we are prepared to work with you during the forthcoming recess to develop detailed justifications for low income housing funds.

2. Special Training Funds. In regard to your proposal to recommend \$250,000 annually during Phase II for a special training fund, we feel that such a fund can be used to finance programs which will compensate for on-

the-job and other training programs which would have been associated with military base employment. Equally important, we feel that these programs will assist us to develop the skills and capabilities required by the new Commonwealth Government.

Among the possible training programs which you have identified, we would assign high priorities to those which would enable us to develop cadres of competent personnel for the various agencies of the new government. Programs to establish internships in U. S. federal, state and local government agencies for Commonwealth civil servants, technical assistance programs to provide training and experience for personnel within Commonwealth government agencies and other programs of a similar nature would be worthwhile.

Also, in regard to your suggestion for training programs to facilitate adjustments required to accommodate separation from the Trust Territory, our new status will require the rapid upgrading of professional standards in education and health services. There are serious questions, for instance, as to our ability to qualify for some federal health and education programs because of the low professional standards which we will carry over to our new status. Thus, special training programs to upgrade the professional qualifications of education and medical services personnel would be very appropriate.

As in the case of low income housing funds, we are prepared to work with you during the recess to develop detailed justifications for special training funds.

Draft Covenant

The Commission has carefully reviewed the Joint Drafting Committee Working Draft of the Covenant dated December 16, 1974. The following is our response:

1. Section 105(a): The Commission is prepared to accept the U. S. version of this section with the insertion of the word "guaranteed" where it is intended to go. We are prepared to delete Section 806 from the mutual consent list.

2. Section 301: We are prepared to eliminate the brackets around the two dates involved.

3. Section 501: We are confident that you share the objective underlying the language proposed by our counsel. If you are willing to put this sentence into the explanatory notes, then we will agree to its deletion from the text of the Covenant.

4. Section 506: The Commission is prepared to delete subsection (b) of Section 506. In the interest of brevity, we believe the U. S. Delegation should accept our version of subsection (a), subject of course to your need to obtain a technical review of this section in Washington.

5. Sections 601 and 602: The Commission is prepared to accept the basic position of the U. S. Delegation on the subject of the income tax laws. With this step taken, we believe technical agreement on language should be reached

before release of the Covenant. The Commission continues to believe that its language is preferable.

6. Section 604(a): The Commission is prepared to delete the bracketed language.

7. Section 702: We assume that this section will be modified to reflect our agreement regarding the additional \$500,000 of economic support for the Marianas.

8. Section 803: Our representative has presented language to you which attempts to implement the views of both sides. All that this section must do is to state the most important terms of the land use arrangement and indicate the major portions of, and incorporate by reference, the Technical Agreement. We believe that at least tentatively acceptable language can promptly be worked out by our respective representatives.

9. Section 804: The Commission believes that the parties are not far apart, if apart at all, with respect to the principle to be incorporated in this section. In brief, the section should provide that all agreements which grant the United States use rights in land in the Northern Marianas will be cancelled, and at the same time it should preserve to the United States those rights which it presently has in lands needed and used for civilian governmental activity (post office and coast guard). We believe that at least

tentatively acceptable language can promptly be worked out.

10. Section 805: The Commission is willing to agree to the United States proposal that land alienation restrictions be mandatory for the first 25 years of the Commonwealth and thereafter permissive, and that restrictions on holdings of public land by individuals be permissive. Minor language problems can easily be solved.

11. Section 806: The Commission has given the most intensive consideration to the United States version of Section 806, particularly subsection (c) dealing with the power of eminent domain. This is a highly sensitive matter with our people. In view of the United States willingness to state that it has no present intention to acquire or need for additional land for defense purposes, or for any greater interest in land than the lease to be granted to it--and in view of the statement of policy you are willing to make in Section 806(a), the protections offered by United States law, and the basic good faith and trust that must mark our future relationship--the Commission will agree to provisions in the Covenant granting the United States Government the same power of eminent domain it has elsewhere in the United States. We have some minor language adjustments which are consistent with this position to propose to you through our representative.

12. Section 901: The Commission is prepared to accept the title of Resident Representative for its man

(or woman) in Washington. The Commission wishes to explore on a technical level leaving the length of the representative's term of office to the future Constitution or laws of the Northern Marianas. We are prepared to delete the last bracketed sentence in current subsection (a) regarding costs. The Commission has also decided to drop subsection (b), not because we are any less persuaded of its essential merit, but because we are hopeful that the members of Congress eventually will be convinced that the Northern Marianas deserves equality of treatment with the other territories.

13. Section 904(c): We are confident that this language difference can be resolved at a technical level before release of the Covenant.

14. Section 1002: The Commission is willing to delete the bracketed sentence if the U. S. Delegation is willing to put a statement of its present intentions regarding termination of the Trusteeship Agreement into the explanatory notes.

15. Section 1003: This section should be reviewed at a technical level in light of the changes recently made in the proposed Covenant. We assume all brackets can be removed.

16. Section 1004: Several lines of this section have been dropped.

17. Section 1006: The Commission is willing to drop this section if the U. S. Delegation will make a comparable

commitment regarding separate administration in the Joint
Communique to be issued tomorrow.

The Commission recommends that the members of
the Joint Drafting Committee make every possible effort
to ensure that any version of the Covenant to be made public
tomorrow be as complete and accurate as possible.