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February 11, 1974

The Honorable Sasauo Haruo
Chairman
Committee on Resources and Development
House of Representatives
Congress of Micronesia
Saipan, Mariana Islands 96950

Dear Mr. Chairman:

Pursuant to your request for comment on House Joint Resolution No. 88, "demanding that the United States forthwith terminate the unilaterally imposed moratorium on homesteading and leasing of so-called public land on Tinian Island," the following opinion is submitted.

The policy of the High Commissioner is clearly set out in his memorandum of December 14, 1973, relative to homesteading and leasing of land in the Mariana Islands. A copy of this memorandum is attached for your reference.

First let us address the subject of leasing of Marianas land. The memorandum reveals that there is no existing unilateral moratorium on the leasing of land, either public or private, on Tinian or on any other island in the Marianas District. Some months before the date of the memorandum (December 14, 1973) the High Commissioner had advised the District Administrator of the Mariana Islands District "that no leases of public land to either citizen or non-citizens of the Marianas, should be granted without conferring with Senator Proceedings of Chairman of the MFSC." This policy thereby afforded field comple to District from the Marianas delegation as to leasing. To the best of my knowledge this policy has been followed and will continue to be followed.

Paragraph 3 of the December 14, 1973, memorandum reflects that all applications for homesteads submitted prior to May 8, 1973, which was the date on which Ambassador Williams and his delegation revealed publicly the United States desires for land acquisition on Tinian, are boing processed. These applications consist of 83 agricultural

homestead applications and 15 village homestead applications. Recent information reveals that the 15 village homestead applications have been forwarded to the homestead review board for establishment of priorities and determination of personal qualification of applicants. It is therefore evident that there is no moratorium as respects applications filed prior to May 8, 1973.

Since May 8, 1973, 26 village applications have been filed and 23 agricultural homestead applications have been filed. Applications are still being accepted in both categories. These applications are being held pending negotiations between the two delegations. Some of the reasons for the High Commissioner's decision to discontinue processing of applications filed after May 8, 1973, on a temporary basis are:

- 1. Pending status negotiations between the two delegations. It would not appear prudent to deplete the inventory of public land on Timian Island until Marianas leaders are able to visualize with some finality the quality and quantity of United States land acquisitions on Timian. Marianas leaders should be left with alternatives that are not foreclosed and curtailed by depletion of land inventory resulting from a "land rush" occasioned by the negotiations.
- 2. Prevention of land speculation. There exists the ever present possibility that numerous individuals will attempt to obtain "homesteads" which they never intend to farm or to occupy, but only to acquire in order to obtain a quick profit by speculation. This practice, if not forestalled, could result in total chaos for the permanent residents of Timion. As you are no doubt already aware, the United States has indicated to the Marianas delegation its desire to fund and implement a model community for the true residents of Tinian as part and parcel of the continuing status negotiations. This noteworthy project could not be accomplished if homestead interests are acquired by speculators who sell their interests for a quick profit. Tinian could well become an area of bars, places of cheap entertainment for the military, etc. that would be most undesirable for the permanent residents of Tinian. It should also be pointed out at this juncture that land values suffer when land is easily obtained and not when it is in scarce supply. There is therefore little substance to an allegation that the temporary roratorium on Timian is being maintained "with the treatherous intent of holding down fair market value of land on Tinian so that the United States Hilitary could acquire the land it wished on that island at a fraction of the real value of the land;". Presently, available land on Tinian probably has a higher value than it will have in the near future due to the scarcity of it now existing.

- 3. Village planning. The people of Tinian have not yet definitely elected to move the location of their village. If they do so elect as a result of the status negotiations ample sites should be available which are not owned by speculators. A decent, safe, convenient, sanitary alto for the future village is of paramount interest. Safeguards must therefore be taken to insure availability of a proper site for the future village for the permanent residents of Tinian.
- 4. <u>Future planning</u>. Future planning for the entire portion of Tinian not utilized by the United States must be flexible and incorporate as many alternatives as possible to truly benefit the people of Tinian. This cannot be accomplished by dissipation of the public domain so that only a few can profit.
- 5. Prevention of unnecessary relocations. It would appear to be most impractical to permit good faith homesteaders to acquire an interest in a specific parcel of land only to be forced to relocate once negotiations are finalized. This could be a heartbreaking experience for such persons should this become necessary. Even with financial assistance for such relocations the prospect is most unpleasant for such persons.
- 6. Necessary infrastructure. There is currently no adequate funding to establish a necessary infrastructure of roads, utilities, etc. for a "land rush" by homesteading on Tinian. The entire island could easily become one vast slum without establishment of a proper infrastructure and without proper planning and safeguards.

The "so-called" moratorium is therefore predicated on judicious projection to afford the actual permanent residents of Tinian the greatest number of alternatives to plan their future in an orderly, efficient, permanent manner.

It would appear that negotiations will be completed with the very near future relative to Tinian. Progress is constant and continual.

If some group must suffer as a result of the negotiations then let it be the would be land speculators and not the permanent residents of Tinian.

Sircarely yours,

Wyman K. Zachary Director, Resources and Development

cc: Special Assistant/Legislative Affairs
Deputy High Commissioner
Attorney General