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| TO RUEHC /SECS<br>INFO COMTWELVE<br>WHITE HOUSE COM<br>JCS WASHINGTON<br>SECDEF WASHINGT<br>CINCPAC HONOLUL<br>CINCPACREP GUAM | S SAIPAN MARIANAS ISLA<br>State Washington DC<br>San Francisco Ca<br>1M Agency Washington DC<br>DC<br>'ON DC         |                      | l   |
| PASS INTERIOR F<br>COMTWELVE FOR A<br>WHITE HOUSE FOR<br>STATE FOR EA/AN<br>DEFENSE FOR OSE                                    | TOR OMSN (INFO) A TIAN<br>TOR DOTA INFO<br>AMB WILLIAMS - ACTO<br>ND, NOCUNP<br>D/ISA<br>DR MARCUSE (OLC)            |                      |   |
| 1. SEN LAZARLS<br>(JCFS) INTRODUC  | A5415 UNCLAS<br>REPORT ON ROUND VII<br>S SALII, CHAIRMAN JOINT<br>CED SUBJECT REPORT WITH<br>ILED OMSN, EA/ANP, IO/U | OUT COMMENT IN SENA  | TE FEB 15.  |
| PRESIDENT AND F<br>TWO IMPORTANT F   | HOUSE SPEAKER NOTES THA<br>Facets of the negotiati<br>to report agreement wi   | IONS." LETTER CONTIN | UES: "FIRST,  |

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THE RETURN OF SO-CALLED PUBLIC LANDS TO THE PEOPLE OF MICRONESIA,

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THE JOINT COMMITTEE EXPECTS TO INTRODUCE LEGISLATION ACCOMPLISHING THIS TRANSFER AT THE FORTHCOMING SESSION. SECOND, THE SUBJECT OF FUTURE FINANCIAL ARRANGEMENTS BETWEEN THE UNITED STATES AND MICRONESIA

WAS CONSIDERED AT GREAT LENGTH, WHILE WE BELIVE THAT THERE IS, AS A RESULT OF THE NEGOTIATIONS, SUBSTANTIAL AGREEMENT ON THE LANGUAGE OF A PROPOSED COMPACT TITLE CONCERNING FINANCE, THE TWO DELEGATIONS REMAIN FAR APART ON THE ACTUAL LEVELS OF FINANCIAL SUPPORT," 2. LETTER IS SIGNED BY FULL JCFS WITH RESIO MOSES AS ALTERNATE FOR BAILEY OLTER.

3. REPORT INCLUDES TEXTS OF TITLES I, II, IIIAND U.S. DRAFT OF ANNEX D. ADDITIONALLY IT PRESENTS "ANALYSES" OF USG PUBLIC LAND STATEMENT AND OF DRAFT COMPACT TITLES I=XII. TRANSCRIPTS PUBLISHED

## PAGE 03 RUHGSAA5415 UNCLAS APPEAR COMPATIBLE WITH OMSN REPORT.

4. REPORT FURNISHED SUBJECT OF BANNER HEADLINES TODAY'S (FEB 20) PACIFIC DAILY NEWS: "MILITARY LAND LEASE DISPUTE CAUSE IN BREAKOFF OF TT TALKS," WHILE ARTICLE TURNS OUT TO BE LESS DRAMATIC THAN HEADING, IT ASSERTS THAT SEVENTH ROUND BROKE OFF "ABRUPTLY", PRINCIPALLY "OVER THE MONEY QUESTION", AND OPENS WITH THIS PARAGRAPH: "A 94-YEAR DIFFERENCE ON THE LENGTH OF LEASES FOR MILITARY RETENTION LANDS IN MICRONESIA HAS EMERGED AS A PRIME REASON FOR THE ABRUPT BREAK IN TRUST TERRITORY FUTURE STATUS TALKS LAST NOVEMBER." 5. REFERRING TO WIDE DIFFERENCE IN POSITIONS ON SURVIVABILITY, SALII IS QUOTED AS SAYING APPARENTLY TO PDN REPORTER) "THIS IS A RIDICULOUS SUGGESTION ON THE ART AND THEY KNOW WE CAN'T ACCEPT IT. "TRENT.

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