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January 9, 1975

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MEMORANDUM FOR MESSRS. WILLENS AND HELFER

I reviewed MSH's December 30, 1974 memorandum summarizing his telephone conversation with James Wilson and Secretarial Order 2969 of the United States Department of the Interior referred to in that memorandum. I have the following brief comments on the Secretarial Order:

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1. The definition of "legal entity"

(Section 2(d)) may make it impossible to continue to recommend a "non-profit member-ship corporation." The specific recital of "a non-profit public or municipal corporation" would make it difficult to argue that the non-profit corporation recommended by us is comprehended by the latter part of the definition "or other juridical . . . person." The changes that would be required in order to convert the corporate charter documents into documents suitable for a "non-profit public corporation" would be minor; however, a public corporation would be subject to comprehensive control by the

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public authority that created it -- i.e., the district legislature. Perhaps the very fact of such control will make the corporation more attractive to the district legislature.

2. The district legislation will have to be revised to track the language set forth in Section 6 of the Order.

3. Section 9 of the Order takes care of a problem we had discussed; namely, the possibility that other district entities would seek to acquire lands in the Mariana Islands.

Moltre Marie Marie

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