



Department of State

TELEGRAM ³⁰

R

DECLASSIFIED

UNCLASSIFIED

21 March 1975

10/5

PAGE 02 210929Z

R. FORD MET WITH EDWARD DLG. PANGELINAN, CHAIRMAN OF THE MARIANAS POLITICAL STATUS COMMISSION (MPSC), AND SENATOR PEDRO A. TENORIO ON WEDNESDAY (MAR. 19) IN THE OVAL OFFICE OF THE WHITE HOUSE.

THE TWO MEMBERS OF THE MPSC PRESENTED THE PRESIDENT AN ORIGINAL VERSION OF THE COVENANT SIGNED LAST MONTH IN SAIPAN TO ESTABLISH A COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS. SECRETARY OF THE INTERIOR ROGERS C.B. MORTON, AND UNITED

PAGE 03 RUHGSAA7906 UNCLAS

STATES DEPUTY REPRESENTATIVE FOR MICRONESIAN STATUS NEGOTIATIONS, JAMES M. WILSON, JR., ESCORTED PANGELINAN AND TENORIO IN THE PRESIDENT'S OFFICE FOR THE HALF-HOUR SESSION.

PRESIDENT FORD AUTOGRAPHED TWO COPIES OF THE COVENANT FOR HIS VISITORS. PANGELINAN SAID HE PLANNED TO ATTACH THE AUTOGRAPHED COVENANT BY THE PRESIDENT TO THE OFFICIAL DOCUMENT WHICH IS KEPT IN SAIPAN.

OVER COFFEE, PRESIDENT FORD DISCUSSED HIS TRAVELS THROUGH THE MARIANAS IN THE 1940'S. HE THEN PRESENTED EACH MAN WITH A PAIR OF CUFF-LINKS BEARING THE SEAL OF THE PRESIDENT OF THE UNITED STATES OF AMERICA.

(U.S. CANIT CONTROL SAIPAN MACHINES)

SAIPAN, MARCH 21 (MNS)---A JUSTICE DEPARTMENT LEGAL OPINION PRESENTED TO THE TRUST TERRITORY AD HOC GAMBLING COMMITTEE THIS WEEK INDICATED THAT THE UNITED STATES HAS NO POWER TO REGULATE SLOT MACHINES IN THE TT, ACCORDING TO FRIDAY'S (MARCH 21) EDITION OF THE PACIFIC DAILY NEWS.

WILLIAM S. LYNCH, CHIEF OF THE DEPARTMENT'S ORGANIZED CRIME AND RACKETEERING SECTION AND ATTORNEY ROBERT D. ROSE FROM THE SPECIAL OPERATIONS UNIT CONCLUDED IN A FIVE-PAGE

PAGE 04 RUHGSAA7906 UNCLAS

OPINION THAT THE "UNITED STATES PRESENTLY LACKS JURISDICTION TO REGULATE SLOT MACHINES WITHIN THE TRUST TERRITORY." THE OPINION POINTS OUT THAT "IF THE PACIFIC ISLANDS, AT LEAST THE NORTHERN MARIANAS, BECOME A U.S. TERRITORY, OR UNTOING STATUS WILL BE DROPPED" AND THE MARIANAS WOULD

DECLASSIFIED

UNCLASSIFIED

RECEIVED 284

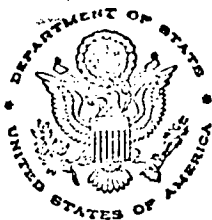
3/25/75

05-419023

DEPARTMENT OF STATE A/CDC/MR

REVIEWED BY B.H. BARS DATE 9/17/86

REASON(S) DATE
TS AUTH.
ENDORSE EXISTING MARKINGS
DECLASSIFIED RELEASABLE
RELEASE DERIVED
FOI EXEMPTIONS



Department of State

TELEGRAM

DECLASSIFIED

UNCLASSIFIED

PAGE 03 210929Z

NOT DIFFER FROM OTHER U.S. TERRITORIES, MEANING THAT THE CODE WOULD BE APPLICABLE, PDN POINTED OUT.

"IF IT IS REASONABLE TO SUPPOSE THAT A NEW TERRITORY, SUCH AS THE TENTATIVELY APPROVED COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS, WOULD NOT DIFFER IN TERRITORIAL STATUS FROM ITS SISTER ISLAND, GUAM, THEN IT SHOULD FOLLOW THAT THE SAME FEDERAL STATUTES WOULD BE APPLICABLE IN BOTH TERRITORIES," THE OPINION CONTENDS.

SINCE THERE IS "NO TT LAW CONCERNING THE REGULATION OF SLOT MACHINES, NO KNOWN COMMON LAW ON THE SUBJECT AND NO SPECIFIC LANGUAGE WITHIN THE U.S. CODE WHICH WOULD MAKE LAWS CONTAINED IN THOSE TITLES, BY THEIR OWN TERMS, APPLICABLE TO THE TT, IT MUST BE DECIDED THAT THE U.S. LACKS JURISDICTION," THE OPINION MAINTAINS.

THE REPORT ADMITS THAT "A DEFINITE ANSWER WOULD BE

PAGE 05 RUHGSAA7906 UNCLAS

IMPOSSIBLE WITHOUT THE KNOWLEDGE OF THE TERMS OF THE INCORPORATION OR TERRITORIALIZATION," THE GUAM NEWSPAPER CONCLUDED.

(ANDREWS APPOINTED SPECIAL ASSISTANT TO AG)

SAIPAN, MAR. 21 (MNS)---KEITH L. ANDREWS, FORMER ATTORNEY GENERAL (AG) ON GUAM, HAS BEEN APPOINTED SPECIAL ASSISTANT TO THE ATTORNEY GENERAL OF THE TRUST TERRITORY, ACCORDING TO SPOKESMAN FOR THE AG'S OFFICE.

IN HIS JOB, ANDREWS WILL: WORK WITH U.S. SENATORS AND CONGRESSMEN, LAW ENFORCEMENT ASSISTANCE ADMINISTRATION AND INTERIOR OFFICIALS, THROUGH THE HIGH COMMISSIONER, ANALYZE ALL FEDERAL LEGISLATION AND REGULATIONS APPLICABLE TO THE TRUST TERRITORY, ANALYZE SELECTED FEDERAL LEGISLATION FOR INCORPORATION OF TTPI AS A PARTICIPATING "STATE" ENTITY, AND SUCH OTHER ASSIGNMENTS ASSIGNED BY THE T.T. ATTORNEY GENERAL.

A GRADUATE OF BUTLER UNIVERSITY WITH A B.S. DEGREE IN CHEMISTRY-ZOOLOGY IN 1941, ANDREWS RECEIVED HIS LAW DEGREE FROM INDIANA UNIVERSITY SCHOOL OF LAW IN 1952.

THE FORMER GUAM ATTORNEY GENERAL SERVED 15 YEARS AS GENERAL COUNSEL FOR THE INDIANA CREDIT UNION LEAGUE, REPRESENTED

DECLASSIFIED

UNCLASSIFIED

05-419024

U.S. Can't Control Saipan Machines

By Joan King
Daily News Staff Writer

SAIPAN - The United States has no power to regulate slot machines in the Trust Territory (TT), according to a Justice Department legal opinion presented to the TT ad hoc gambling committee this week.

William S. Lynch, chief of the department's organized crime and racketeering section, and Attorney Robert D. Rose from the special operations unit, concluded in a five-page opinion

that the "United States presently lacks jurisdiction to regulate slot machines within the Trust Territory."

The opinion points out that "If the Pacific Islands, or at least the Northern Marianas, become a U.S. territory, their unique status will be dropped."

Then it is possible that the TT would not differ from other U.S. territories, meaning that the code would be applicable, the opinion states.

"If it is reasonable to suppose that a new territory, such as the

tentatively approved commonwealth of the Northern Mariana Islands, would not differ in territorial status from its sister island, Guam, then it should follow that the same federal statutes would be applicable in both territories," the opinion contends.

Since there is "no TT law concerning the regulation of slot machines, no known common law on the subject and no specific language within the U.S.

(Continued on page 54)

Saipan Machines

(Continued from page 1)

code which would make laws contained in those titles, by their own terms, applicable to the TT, if must be decided that the U.S. lacks jurisdiction," the opinion maintains.

The report admits that "A definite answer would be impossible without knowledge of the terms of the incorporation or territorialization."

According to the U.S. code, individual states have the power to decide whether they want gambling legalized. Only Nevada has gone into extensive legalized gambling.

The Territory of Puerto Rico also permits gambling. According to a 1971 report, Puerto Rico's 13 gambling casinos pay a \$25,000 annual fee for a license that must be renewed every 90 days (at no extra cost).

Lynch met with the ad hoc gambling committee and the Saipan Municipal Council last week to explore the extent of any organized crime influence on gambling.

The committee is expected to finish its report to the high

commissioner, recommending that gambling not be legalized, in a few weeks.

The council, which passed the ordinance that legalized slot machines May 9, has had two pieces of legislation on slot machines before it.

One would require that persons playing the machines in Saipan have licenses.

The proposal, introduced by Pedro R. Guerrero, would "authorize the mayor of Saipan to issue a license that shall contain a picture of the applicant, date of birth, date of issuance, color of eyes and hair, height of the applicant and place of residence."

A \$5 fee would be charged for the license and "no person shall be issued a license who earns less than \$4,000 a year or who is a USDA food recipient."

The other bill, introduced by Juan L. Damapan, would outlaw slot machines by repealing the section of the Municipal Code permitting them.

Council sources indicate there is little likelihood that a bill outlawing slot machines would pass.