



DEPARTMENT OF DEFENSE  
OFFICE OF GENERAL COUNSEL  
WASHINGTON, D. C. 20301

I-3229

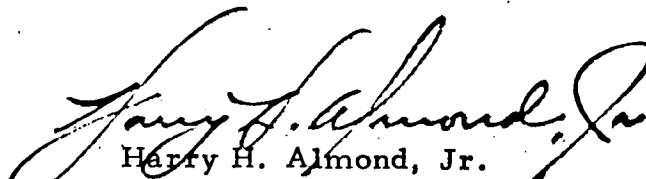
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March 26, 1975

MEMORANDUM FOR MR. MORTON I. ABRAMOWITZ  
DEPUTY ASSISTANT SECRETARY  
EA&PA, ISA

SUBJECT: Establishment of a Legal Entity for Land Transactions  
in The Mariana Islands

In reply to your memorandum dated 18 March 1975  
I have requested attorneys in our office concerned with I&L  
matters to examine the Marianas Covenant and the Land Order  
No. 2969 dated December 26, 1974, comparing this with the  
Covenant for the Northern Mariana Island. They have advised  
me and I defer to their judgment that the legislation of the  
Mariana Island district implements the Secretarial Order.

  
Harry H. Almond, Jr.  
Office of Assistant General Counsel  
International Affairs

cf: GC  
Circulating  
Master Chron  
File: ILP - TTPI  
R&C Ofc, ISA



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10- 63761

MEMORANDUM

OFFICE OF THE GENERAL COUNSEL

Harry:

I've compared this with the Marianas Covenant and with the Interior Secretary Land Order of 26 Dec 74. I believe it is an acceptable implementation. My I&L clients also agree & have forwarded their concurrence to your ISA client. I have added a copy of the order to your file.

Dave Ream



ASSISTANT SECRETARY OF DEFENSE  
WASHINGTON, D. C. 20301

18 MAR 1975  
In reply refer to:  
I-2804/75

INTERNATIONAL SECURITY AFFAIRS

MEMORANDUM FOR DISTRIBUTION

SUBJECT: Establishment of a Legal Entity for Land Transactions In The Mariana Islands

Order No. 2969 of the Secretary of the Interior, dated December 26, 1974, prescribes the procedures for the return of certain public lands in the Trust Territory of the Pacific Islands, and these procedures include the requirement for each district to establish a legal entity which will deal in public land transactions. Accordingly, the Mariana Islands District Legislature has recently passed legislation intended to implement the Secretary's Order. An advanced copy of the legislation is attached for your review and examination.

Should this bill appear to be legally insufficient to provide for the Defense Department's current and future land transactions in the Marianas District, please provide me with your recommendations by the 24th of March 1975.

Attachment

*Morton I. Abramowitz*

Dist:  
Office of General Counsel  
Office of ASD(I&L)

Morton I. Abramowitz  
Deputy Assistant Secretary

Copy to:  
HQ NAVFACENCOM

*→ Mr. David Leaver  
Decided:  
Can you compare  
this with the  
Marianas compact  
and advise me whether  
it fits and tracks  
Jerry Howard  
7/24/75*

63763

FOURTH MARIANA ISLANDS DISTRICT LEGISLATURE

FIFTH REGULAR SESSION

ACT NO. 100-1975

INTRODUCED BY: HON. JUAN IG. CAERERA, SAIPAN

1. AN ACT EXPRESSING THE WILL OF THE PEOPLE OF THE  
2. MARIANA ISLANDS WITH RESPECT TO ALL PUBLIC LANDS,  
3. IMPLEMENTING THE REQUIREMENTS OF ORDER NO. 2969  
4. OF THE SECRETARY OF THE INTERIOR OF THE UNITED  
5. STATES OF AMERICA, DATED DECEMBER 26, 1974, AND  
6. DESIGNATING THE ENTITY TO RECEIVE, HOLD AND  
7. ADMINISTER THE PUBLIC LANDS TO BE RETURNED BY  
8. THE HIGH COMMISSIONER

9. BE IT ENACTED BY THE FOURTH MARIANA ISLANDS DISTRICT LEGISLATURE, THAT:

10. WHEREAS, the people of the Mariana Islands District desire the return  
11. of all right, title and interest in and to all public lands presently held  
12. by the Government of the Trust Territory of the Pacific Islands; and

13. WHEREAS, the people of the Mariana Islands District seek the return of  
14. all right, title and interest in and to such public lands ~~as have been held~~  
15. ~~by the Government of the Trust Territory of the Pacific Islands~~ at the earliest possible time; and

16. WHEREAS, the United States, as the Administering Authority, now  
17. proposes to return certain of the public lands of the Mariana Islands  
18. District, subject to certain conditions, all as set forth in Order No. 2969  
19. of the Secretary of the Interior dated December 26, 1974 (hereinafter called  
20. the Public Land Secretarial Order).

1. NOW THEREFORE, BE IT ENACTED BY THE FOURTH MARIANA ISLANDS DISTRICT  
 2. LEGISLATURE THAT:

3. Section 1. Purpose. The purpose of this Act is to satisfy the conditions  
 4. precedent set forth in Section 6 of the Secretarial Order to  
 5. the return by the Administering Authority of certain public  
 6. lands of the Mariana Islands District in trust for the people  
 7. of the Mariana Islands District; to create the legal entity to  
 8. receive such public lands in trust for the people of the  
 9. Mariana Islands District; to designate such legal entity to  
 10. receive, hold and administer such public lands in trust for the  
 11. people of the Mariana Islands; to reserve the power of the  
 12. Mariana Islands District Legislature to enact laws providing  
 13. for the exercise of the power of eminent domain and the  
 14. establishment of adjudicatory bodies for settlement of claims  
 15. to title or rights in the lands transferred; and formally to  
 16. request the High Commissioner to convey to the legal entity  
 17. created hereby the public lands to be returned pursuant to the  
 18. Secretarial Order.

19. Section 2. Reservation of Powers by the Trust Territory of the Pacific  
 20. Islands. The Mariana Islands District Legislature hereby  
 21. recognizes that the Secretarial Order reserves to the Central  
 22. Government of the Trust Territory of the Pacific Islands, until  
 23. separate administration or termination of the Trusteeship  
 24. whichever shall occur, (a) the power of eminent domain  
 25. to take lands for public purposes pursuant to law and  
 26. (b) the right to regulate all activities affecting conservation,  
 27. navigation, or commerce in and to the navigable waters;  
 28. tidelands, filled lands, submerged lands and reefs;

1. provided that, in the exercise of such right, the Central  
 2. Government does not unnecessarily interfere with the exercise  
 3. of all prior traditional rights in and to such lands.

4. Section 3. Creation of the Entity to Receive, Hold and Administer the  
 5. Public Lands.

6. (a) There is hereby created a corporation to be known as the  
 7. Marianas Public Land Corporation (hereinafter called the  
 8. Corporation). Pursuant to the Secretarial Order, the Corporation  
 9. shall have perpetual juridical existence.

10. (b) The Corporation is a legal person created to receive in  
 11. trust for the benefit of the people of the Mariana Islands all  
 12. right, title and interest in and to public lands to be returned  
 13. pursuant to the Secretarial Order or any order or law hereinafter  
 14. returning additional public lands (hereinafter called the Trust  
 15. Lands). Accordingly, the Corporation shall not be operated for  
 16. the pecuniary gain or profit, direct or indirect, or any person  
 17. but rather for the pecuniary gain or other benefit to the  
 18. people of the Mariana Islands. ~~The Corporation shall not have~~  
 19. ~~the power to receive any equity interests or other interests of~~  
 20. ~~any person in any public lands or the proceeds, interests or benefits~~  
 21. ~~of the Corporation to any person~~

22. (c) The Corporation shall be a membership corporation composed  
 23. of members who agree to participate in the activities of the  
 24. Corporation for the benefit of the people of the Mariana Islands.  
 25. The following public officials and individuals are eligible to  
 26. be the first members of the Corporation:

- 1. (1) The Mayors of Saipan, Rota and Tinian;
- 2. (2) Sixteen persons appointed by the Marianas District
- 3. Legislature, no more than eight of whom shall be members
- 4. of the legislature and at least two of whom shall be
- 5. representatives of the United Carolinian Association;
- 6. (3) Fifteen persons appointed by the Municipal Council of
- 7. Saipan, no more than seven of whom shall be members of the
- 8. Council;
- 9. (4) Nine persons appointed by the Municipal Council of Rota,
- 10. no more than four of whom shall be members of the Council;
- 11. and
- 12. (5) Seven persons appointed by the Municipal Council of Tinian,
- 13. no more than three of whom shall be members of the Council.

14. *The responsible officials named by the members of the Corporation in*  
 15. *the articles of incorporation shall be liable as provided herein by the*  
 16. *appropriate appointing authority of the Corporation.*

17. The office of the Legislative Counsel for the Mariana Islands District  
 18. Legislature shall be primarily responsible for providing legal services  
 19. as may be required by the Corporation.

20. (d) The following individuals are hereby designated the incorporators  
 21. of the Corporation:

- 22. (1) Two persons appointed by the Marianas District Legislature;
- 23. (2) Two persons appointed by the Marianas Political Status
- 24. Commission;
- 25. (3) Two persons appointed by the Municipal Council of Tinian;
- 26. (4) Two persons appointed by the Municipal Council of Rota; and
- 27. (5) Two persons appointed by the Municipal Council of Saipan;

1. Provided, however, that if any incorporator named pursuant to
2. this Act becomes unwilling or unable to serve as an
4. incorporator, then the remaining incorporators designated
5. hereby are hereby empowered to elect, by majority vote, the
6. successor to any such named incorporator.
7. (e) The incorporators are hereby authorized and directed to
8. take the steps required by this Act to organize the
9. Corporation promptly in order that the return of the Trust
10. Lands for the benefit of the people of the Mariana Islands
11. shall be expedited.
12. (f) The incorporators are directed to review the draft Articles
13. of Incorporation submitted to the District Legislature and
14. to make such modifications thereto as the incorporators
15. shall deem necessary to carry out the purposes of this
16. Act and the Secretarial Order and to benefit the people
17. of the Mariana Islands;
18. Provided, however, that the incorporators are not authorized
19. to make any ~~changes~~ changes in the draft Articles which
20. diminish the authority of the District Legislature or any po
21. popularly elected legislative successor thereto with respect
22. to the Corporation.
23. (g) The Corporation shall have the powers enumerated in this
24. Act, the Secretarial Order and the Articles of Incorporation
25. adopted by the incorporators; provided,
26. however, that the powers of the Corporation shall be
27. subject to the limitations set forth in subsections



1. (h) After the incorporators have approved the Articles of  
2. Incorporation and the By-laws of the Corporation, the  
3. incorporators are hereby directed to file the Articles of  
4. Incorporation and the By-laws in the office of the  
5. Registrar of Corporation of the Trust Territory of the  
6. Pacific Islands and of the Clerk of the District Court of  
7. the Mariana Islands District and, upon such filing, the  
8. organization of the Corporation shall proceed in the  
9. manner contemplated by the Articles of Incorporation  
10. and the By-laws.
11. (i) The activities of the Corporation shall be conducted in  
12. accordance with its Articles of Incorporation and By-laws,  
13. each as amended from time to time.
14. (j) After the organization of the Corporation is complete, the  
15. Corporation shall ~~be~~ authorized to receive from the  
16. High Commissioner: (1) complete records and an accounting  
17. for and legal description of all Trust lands to be returned,  
18. including a full disclosure of all claims to and litigation  
19. pending relevant to rights, title and interest in such lands  
20. which have been documented by the United States and the  
21. Trust Territory of the Pacific Islands, and (2) all right,  
22. title and interest of the Government of the Trust Territory  
23. of the Pacific Islands in the Trust lands. In connection  
24. with the transfer of title from the High Commissioner to  
25. the Corporation, the Corporation is hereby authorized to  
26. agree to hold the United States Government and the Central

1. Government of the Trust Territory of the Pacific Islands  
2. and their respective agencies or political subdivisions  
3. harmless from any and all claims relating to the lands  
4. conveyed arising after the date of conveyance other than  
5. claims resulting directly from the actions of the United  
6. Government, the Government of the Trust Territory of the  
7. Pacific Islands, their respective agencies or political  
8. subdivisions or any of their duly authorized agents.

9. Section 4. Guidelines Concerning Use and Disposition of the Trust Lands.

10. The members of the Corporation shall adopt policy guidelines  
11. setting forth limitations on land dispositions and outlining  
12. the procedures to be followed in connection therewith  
13. (hereinafter called the Trust Policy Guidelines). Until the  
14. Trust Policy Guidelines shall have been adopted, the Corporation  
15. shall not have any power to dispose of any interest in the  
16. Trust Lands except for the power to execute on behalf of the  
17. people of the Mariana Islands binding agreements to meet land  
18. requirements of the United States designated in a future status  
19. agreement approved by the people of the Mariana Islands.

20. Section 5. Revenues.

21. *RAY The corporation is hereby authorized to receive a sum of*  
22. *money to be used for the purpose of the corporation*  
23. *and to make the expenditures of the sum of such*  
24. *money for the corporation*  
25. *as may be determined by the corporation*

26. (a) All revenues generated from the use, sale, disposition and  
27. administration of the Trust Lands pursuant to this Act shall

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be deposited in the General Fund of the Mariana Islands  
District Legislature.

*[Illegible mirrored text]*

(b) At the end of each fiscal year, the Corporation shall  
prepare and submit to the legislature for its consideration  
and funding, for the next fiscal year, funds necessary to  
conduct its activities.

*[Illegible mirrored text]*

1. Section 6. Annual Report to the People. The Corporation shall prepare  
2. an annual report to the people of the Mariana Islands  
3. setting forth (i) a summary of its activities and proposed  
4. activities, (ii) its financial statements for the past fiscal  
5. year and (iii) its budget projections for the current fiscal  
6. year. The Corporation shall publish its report in a manner  
7. selected to reach the broadest segment of the people of the  
8. Mariana Islands. The Corporation's annual report shall be  
9. sent to the Mariana Islands District Legislature.

10. Section 7. Reservation of Power to Enact Certain Laws.

11. Pursuant to the Secretarial Order, the Mariana Islands  
12. District Legislature is empowered to enact laws providing for  
13. the exercise of the power of eminent domain, creating  
14. adjudicatory bodies for the settlement of claims to title  
15. or rights in the lands transferred, and establishing a  
16. program for homesteading on the land transferred to the  
17. district legal entity. The power to enact such laws is  
18. hereby reserved. Until the District Legislature shall  
19. establish or designate an adjudicatory body for the  
20. settlement of claims to title or rights in the Trust Lands,  
21. the Corporation is hereby empowered to settle title in any  
22. portion of the Trust Lands in proceedings in the High  
23. High Court of the Trust Territory of the Pacific Islands.

24. Section 8. Formal Request to High Commissioner. On behalf of the people,  
25. the Mariana Islands District Legislature hereby formally  
26. requests, as required by Section 1 of the Secretarial Order,  
27. the High Commissioner to convey to the Corporation the