

(ROI-NAMUR SUIT FILED) 1975

SAIPAN, APR. 24 (MNS)---A \$10 MILLION SUIT HAS BEEN FILED IN THE U.S. COURT OF CLAIMS IN WASHINGTON AGAINST THE UNITED STATES BY THE LEADERS AND OWNERS OF ROI-NAMUR, AN ISLAND IN KWAJALEIN ATOLL, MARSHALLS, FOR THE "UNLAWFUL AND UNCOMPENSATED TAXING AND CONTINUED USE" OF THE ISLAND AND "FOR RELOCATION OR DISLOCATION EXPENSES FOR THOSE WHO HAVE BEEN UNLAWFULLY DISPOSED..."

COUNSEL FOR THE PLAINTIFFS IS STEPHEN N. SHULMAN, FROM THE WASHINGTON LAW FIRM OF CADWALADER, WICKERSHAM AND TAFT. MICRONESIAN LEGAL SERVICES CORP. DIRECTOR TED MITCHELL SERVES AS CO-COUNSEL.

PLAINTIFFS IROIJS (TRADITIONAL CHIEF) KABUA KABUA, LEJELON KABUA, ALBERT LEOAK AND LEROIJ BEIMORD, CONTEND THAT THEY HAVE NOT RECEIVED ANY RENTAL OR OTHER COMPENSATION FOR THE USE AND OCCUPANCY OF ROI-NAMUR BY THE UNITED STATES NAVY. THEY ASSERT THAT THEY ARE ENTITLED TO COMPENSATION FOR THE "ECONOMIC VALUE OF THE LAND THEY HAVE LOST ON ROI-NAMUR" AND ARE SEEKING

COMPENSATION FOR "FORCED RELOCATION OR DISLOCATION" BY THE U.S.

ACCORDING TO THE SUIT, THE U.S. NAVY, WHICH HAS OCCUPIED ROI-NAMUR SINCE 1944, REMOVED THE PEOPLE TO ENNUBIR AND EBeye AND OTHER ISLANDS IN KWAJALEIN ATOLL. APPROXIMATELY 8,000 MARSHALLESE, INCLUDING FORMER OWNERS OF ROI-NAMUR, LIVE ON EBeye.

THEY CHARGE THAT THE PEOPLE "HAVE BEEN DEPRIVED OF THEIR TRADITIONAL WAY OF LIFE" AND "MUST NOW LIVE ON A MONEY-WAGE ECONOMY ON EBeye," AN ISLAND THREE MILES SOUTH OF KWAJALEIN.

THE SUIT FURTHER STATES THAT FORMER TT HIGH COMMISSIONER DELMAS H. NUCKER, IN MAY 1960, EXECUTED A TRANSFER AGREEMENT (ON BEHALF OF THE TT GOVERNMENT) TO GRANT TO THE U.S. THE RIGHT TO USE AND OCCUPY ROI-NAMUR FROM FEBRUARY 7, 1944, FOR AN INDEFINITE PERIOD OF TIME.

"ALTHOUGH THE TRANSFER AGREEMENT STATES THAT THE CONSIDERATION FOR THE AGREEMENT IN THE SUM OF \$10 AND OTHER GOOD AND VALUABLE CONSIDERATION," THE UNITED STATES NAVY ACTUALLY TRANSFERRED THE SUM OF \$80 THOUSAND TO THE TT GOVERNMENT AS CONSIDERATION FOR THE TRANSFER," THE SUIT CLAIMS. "NONE OF THE PLAINTIFFS OR THEIR PREDECESSORS IN INTEREST WAS A PARTY TO THIS AGREEMENT NOR DID ANY OF THEM RECEIVE ANY PORTION OF THE \$80 THOUSAND," THE SUIT ALLEGES.

IN A HEARING HELD ON EBeye IN 1964 BY THE LAND AND CLAIMS ADMINISTRATOR FROM THE TT GOVERNMENT TO DETERMINE OWNERSHIP OF THE LAND, IT WAS RULED THAT ROI-NAMUR "WAS NOT A PART OF THE PUBLIC DOMAIN OF THE TRUST TERRITORY BUT WAS OWNED BY PLAINTIFFS AND/OR THEIR PREDECESSORS...", THE SUIT STRESSES.

THE SUIT ALSO CHARGES THAT THE U.S. HAS ADOPTED A POLICY OF NEGOTIATING LONG-TERM LEASEHOLD INTERESTS RATHER THAN SEEKING TO OBTAIN A FEE SIMPLE TITLE. PLAINTIFFS HAVE SOUGHT TO NEGOTIATE THE AMOUNT OF COMPENSATION TO BE PAID BY THE U.S. FOR THE USE AND OCCUPANCY OF ROI-NAMUR. THE U.S. NAVY TOOK RESPONSIBILITY LAST YEAR TO CONDUCT NEGOTIATIONS ON BEHALF OF THE UNITED STATES. "NEGOTIATIONS WITH THE UNITED STATES HAVE PROVED UNSUCCESSFUL, AND A NEGOTIATED SETTLEMENT NOW APPEARS UNLIKELY," ACCORDING TO THE SUIT.

THE SUIT POINTS OUT THAT THE U.S. NAVY, ON BEHALF OF THE TT GOVERNMENT, ENTERED INTO A CONTRACT WITH HAMBLETON AND ASSOCIATES, INC. OF HONOLULU TO APPRAISE THE RENTAL VALUE OF CERTAIN LANDS IN KWAJALEIN ATOLL, INCLUDING ROI-NAMUR. HAMBLETON APPRAISED THE RENTAL VALUE OF ROI-NAMUR AT \$7,666.67 PER ACRE. THIS APPRAISAL, THE SUIT CONTENDS,

14213

REPRESENTS A LUMP SUM PAYABLE ON FEBRUARY 7, 1970 FOR A PERIOD OF 50 YEARS, (FROM FEB. 7, 1944 TO FEB. 6, 1994). THE U.S. NAVY SUBSEQUENTLY REJECTED HAMBLETON'S APPRAISAL. THE UNITED STATES, HAS TAKEN EXCLUSIVE USE AND OCCUPANCY OF PRIVATE PROPERTY OF THE LAND OWNERS OF ROI-NAMUR AND HAS FAILED TO PAY ANY COMPENSATION, THE SUIT STATES. IT CLAIMS THAT EACH OF THE PLAINTIFFS "HAS BEEN INJURED BY THE TAKING AND CONTINUING USE BY THE UNITED STATES OF ROI-NAMUR AND IS ENTITLED TO COMPENSATION..."

THE PLAINTIFFS DEMAND JUDGEMENT AGAINST THE UNITED STATES IN THE SUM OF \$10 MILLION "TOGETHER WITH INTERESTS, COSTS, AND REASONABLE ATTORNEYS FEES..."

(BURTON'S STATEMENTS MISINTERPRETED)

SAIPAN, APRIL 24 (MSS)---REFERRING TO STATEMENTS MADE LAST WEEK BY US REP. PHILIP BURTON TO AMEND THE LEGISLATION TO PAY ALL WAR CLAIMS IN FULL IN MICRONESIA, MARIANAS SENATOR PEDRO A. TENORIO SAID THIS WEEK THAT BURTON'S STATEMENTS WERE "MISINTERPRETED TO MEAN THAT THE US IS OPEN TO RE-NEGOTIATION OF OTHER ISSUES IN THE COVENANT."

TENORIO SAID IN HIS LETTER TO BURTON THAT "IF SUCH RE-NEGOTIATION IS POSSIBLE, I WOULD SINCERELY REQUEST THAT THE MPSC BE INFORMED AS SOON AS POSSIBLE SO THAT THE PLEBISCITE MAY BE APPROPRIATELY RE-SCHEDULED FOR SUCH FUTURE RE-NEGOTIATION."

THE MARIANAS SENATOR FURTHER ADDED THAT THE PEOPLE OF THE MARIANAS ARE READY TO VOTE IN THE PLEBISCITE, "BUT CURRENT DEVELOPMENT HAS LED MANY OF THEM TO BELIEVE THAT A RE-NEGOTIATION TO INCLUDE FAST AND FULL WAR CLAIMS SETTLEMENT IS STILL POSSIBLE."

"MY HOPE IS THAT THIS ISSUE WILL BE RESOLVED OUTSIDE OF THE REALM OF OUR STATUS PLEBISCITE, FOR I DO NOT BELIEVE THAT THE ISSUE PROPERLY FALLS UNDER A STATUS NEGOTIATION," TENORIO ADDED. "I STRONGLY FEEL THAT YOUR STATEMENT IN SUPPORT OF MY VIEW WILL HAVE A DEFINITE CLARIFICATION AMONG THE MINDS OF THE PEOPLE THAT SUCH ISSUE IS NOT IN FACT A PART OF THE COMMONWEALTH COVENANT THAT HAS ALREADY BEEN SIGNED," HE SAID.

JUDGING FROM THE PRESENT AUTHORIZATIONS, TENORIO INDICATED, IT DOES NOT SEEM POSSIBLE THAT EXCESS FUNDS WOULD BE AVAILABLE FOR THE FINAL PAYMENT. CERTAIN PROVISIONS UNDER US PUBLIC LAW 92-39 "CONFUSES ALL MY PEOPLE BECAUSE THEY, IN THE FIRST PLACE, ARE EXPECTING FULL COMPENSATION AND SECONDLY, WHEN THEY FILED THEIR CLAIMS, THEY WERE TOLD THAT THEY WILL ONLY RECEIVE 16 PERCENT, BUT AT THE SAME TIME, WERE OBLIGATED TO EXECUTE A FULL RELEASE AS A CONDITION FOR RECEIPT OF COMPENSATION NEGATING ANY FURTHER GUARANTEE FOR FULL SETTLEMENT OF THEIR CLAIMS," SENATOR TENORIO WROTE.

(CALL USERS: PLEASE CREDIT CONGRESS OF MICRONESIA)
(R & D COMMITTEE COMPLETED HEARINGS)

SAIPAN, APRIL 24 (CONGRESS RELEASE)---THE CONGRESS OF MICRONESIA'S HOUSE COMMITTEE ON RESOURCES AND DEVELOPMENT, CHAIRED BY CONGRESSMAN SASAHO HARUO OF TRUK, RECENTLY COMPLETED COMMITTEE HEARINGS THROUGHOUT MICRONESIA ON VARIOUS PENDING LEGISLATION BEFORE CONGRESS.

14214

HEARINGS WERE HELD ON LEGISLATION REGARDING THE ESTABLISHMENT OF A TRUST TERRITORY MORTGAGE LAW; RAISING THE LEGAL RATE OF INTEREST CHARGED ON LOANS; AND EMPOWERING THE HIGH COMMISSIONER TO REGULATE PRICES ON CERTAIN ESSENTIAL

FOOD COMMODITIES, CONSTRUCTION MATERIALS, AND PETROLEUM PRODUCTS.

EXPLAINING WHAT THE VARIOUS LEGISLATION WOULD DO IF ENACTED BY THE CONGRESS AND SIGNED INTO LAW BY THE HICOM, HARUO SAID THAT THE MORTGAGE LAW WOULD ESTABLISH PROCEDURES WHERE A MICRONESIAN CAN USE HIS LAND AS A SECURITY WHEN BORROWING MONEY FROM BANKS AND LOAN COMPANIES TO PURCHASE LAND, BUILD A HOUSE OR EXPAND HIS BUSINESS, ETC. SUCH PROCEDURE WILL ALSO GIVE THE LENDER OR THE LENDING INSTITUTION THE LEGAL RIGHT TO FORCE THE FORECLOSURE OF THE LAND INVOLVED SHOULD THE BORROWER FAIL TO PAY HIS LOAN IN ACCORDANCE WITH PROCEDURE AGREED TO BETWEEN THE LOANING COMPANY AND THE BORROWER.

HARUO INDICATED THAT THROUGHOUT THE HEARINGS IN THE DISTRICTS, CONCERN WAS EXPRESSED THAT ADEQUATE SAFEGUARDS

FOR THE DEBTOR AND HIS LAND BE INCLUDED IN ANY BILL ESTABLISHING MORTGAGES. HE SAID THAT FEAR WAS ALSO EXPRESSED THAT WIDESPREAD USE OF MORTGAGING WOULD RESULT IN THE MORE AFFLUENT MICRONESIANS PURCHASING REAL PROPERTY.

THE DISTRICT LEGISLATURES, ACCORDING TO HARUO, GENERALLY FELT THAT ADOPTION OF A MORTGAGE LAW AND FORECLOSURE PROCEEDINGS SHOULD BE IN THE DOMAIN OF THE DISTRICT RATHER THAN MANDATED FROM THE CONGRESS OF MICRONESIA. HE SAID THE LEGISLATURES SUPPORTED AN AMENDMENT IN THE BILL WHICH WOULD REQUIRE ADOPTION BY EACH DISTRICT LEGISLATURE PRIOR TO THE LAW BEING EFFECTIVE IN THAT DISTRICT.

CONCERNING SENATE BILL 6-57 WHICH WOULD RAISE THE MAXIMUM LEGAL INTEREST RATE RECOVERABLE ON LOANS IN THE IT TO 15 PERCENT PER ANNUM ON THE PRINCIPAL AMOUNT LOANED, HARUO NOTED THAT MERCHANTS AND CONSUMERS AS WELL WERE OPPOSED TO ANY INCREASE IN THE MAXIMUM LEGAL INTEREST RATE. HE SAID IT WAS FELT THAT BANKS WERE ABLE TO MAKE A SUFFICIENT PROFIT ON THE PRESENT INTEREST RATE STRUCTURE AND THAT SUFFICIENT CAPITAL WAS PRESENTLY AVAILABLE FOR LOANS.

WITH REGARD TO SENATE BILL 6-91, WHICH WOULD AUTHORIZE THE HIGH COMMISSIONER TO CONTROL PRICES ON CERTAIN PRODUCTS, HARUO SAID THE DISTRICT LEGISLATURES AND CONSUMERS GAVE FAVORABLE SUPPORT ON THIS LEGISLATION. HE SAID THESE GROUPS SUPPORTED IN PRINCIPLE REGULATION OF PRICES ON ESSENTIAL COMMODITIES COVERED IN THE LEGISLATION, HOWEVER, THERE WAS NO AGREEMENT ON THE MEANS TO ELIMINATE EXCESS PROFITEERING.

HARUO NOTED, HOWEVER, THAT MICRONESIAN MERCHANTS GENERALLY DISAPPROVED OF THE MEASURE CITING THE HIGH COST OF FREIGHT, INSURANCE AND DAMAGE GOODS AS CAUSAL FACTORS IN THE HIGH PRICE OF THESE COMMODITIES IN MICRONESIA. HARUO ADDED THAT MERCHANTS FELT THAT THE BEST FORM OF PRICE CONTROL WOULD BE TO ENCOURAGE EXPANSION OF THE MICRONESIAN FREE ENTERPRISE SYSTEM RATHER THAN PUTTING DISCRETIONARY POWER IN THE HICOM OR HIS DESIGNATE TO ISSUE PRICE CONTROLS.

THE CONGRESSMAN SAID THAT WHILE IN PONAPE, THE COMMITTEE HELD PUBLIC HEARINGS ON HOUSE BILL 6-35 WHICH WOULD APPROPRIATE \$62,000 TO ESTABLISH, MAINTAIN AND OPERATE THE PONAPE FISHERS TRAINING CENTER; AND HOUSE BILL 6-49 WHICH WOULD APPROPRIATE \$50,000 FOR THE PURPOSE OF ESTABLISHING AND OPERATING A BLACK PEPPER PLANTATION IN PONAPE DISTRICT.

HARUO CONCLUDED THAT THE BILLS WILL RECEIVE CONSIDERATION IN THE NEXT REGULAR SESSION OF THE CONGRESS.

(SETIK DISCUSSES IT DEVELOPMENT POLICY)

SAIPAN, APRIL 24 (MNS)---HEARINGS ON THE COMPREHENSIVE AND BALANCED DEVELOPMENTAL POLICY IN MICRONESIA ARE UNDERWAY THIS WEEK ON SAIPAN, ACCORDING TO CONGRESSMAN RAYMOND SETIK, CHAIRMAN OF THE JOINT COMMITTEE ON PROGRAM AND BUDGET PLANNING.

ACCORDING TO CONGRESSMAN SETIK, THE PLAN HAS SEVERAL GOALS. ONE IS TO DESCRIBE WAYS WHICH WOULD BRING MICRONESIA TO ECONOMIC SELF-SUFFICIENCY AND TO DESCRIBE COSTS AND POLICIES WHICH WOULD HAVE TO BE IMPLEMENTED TO REACH THE GOALS. HE SAID EXPERTS WOULD BE BROUGHT IN AND ONE UN OFFICIAL HAS ALREADY EXPRESSED INTEREST.

ANOTHER OBJECTIVE OF THE PLAN IS TO PROVIDE A NEGOTIATING TOOL FOR THE JOINT COMMITTEE ON FUTURE STATUS OF THE CONGRESS OF MICRONESIA, SETIK MAINTAINED. THE TRUK CONGRESSMAN SAID THE PLANNING WAS NECESSARY TO DETERMINE THE REAL NEEDS OF MICRONESIA, AND THAT NEGOTIATIONS FOR FINANCIAL SUPPORT WOULD BE BASED ON THE RECOMMENDATIONS OF THE PLAN. HE ALSO NOTED THAT \$110,000 HAD BEEN APPROPRIATED FOR THE NEGOTIATING GROUP THIS YEAR BY THE CONGRESS OF MICRONESIA.

CONGRESSMAN SETIK, WHO RECENTLY TESTIFIED IN THE US CONGRESS ABOUT INCREASING THE IT BUDGET CEILING FROM \$60 TO \$75 MILLION, SAID THE PLAN IS IMPORTANT BECAUSE THE US CONGRESS WANTS TO KNOW HOW MONEY HAS BEEN SPENT IN THE PAST AND HOW IT WILL BE SPENT IN THE FUTURE BEFORE THEY INCREASE THE BUDGET.

CONCERNING MONEY RAISED BY CONGRESS, THE APPROPRIATIONS CHAIRMAN SAID MOST OF THE \$5 MILLION IN CONGRESS OF MICRONESIA REVENUES IS USE FOR VARIOUS PROJECTS IN THE DISTRICTS.

THE TRUK CONGRESSMAN ALSO SPOKE ABOUT THE NEW TAX SITUATION IN THE IT. OUT OF THE 3 PERCENT INCOME TAX COLLECTED BY THE CONGRESS OF MICRONESIA, HE SAID, TWO PERCENT WOULD GO TO THE CONGRESS AND ONE PERCENT TO THE DISTRICTS. THE DISTRICTS, HOWEVER, MAY LEVY A 100 PERCENT SURTAX ON THAT 1 PERCENT RAISING DISTRICT REVENUES TO 2 PERCENT, HE POINTED OUT.

SETIK ALSO DESCRIBED THE THREE PERCENT INCOME TAX SITUATION AS "UNFAIR." HE SAID HE HAD INTRODUCED A RESOLUTION IN THE CONGRESS OF MICRONESIA TO INVESTIGATE POSSIBILITIES OF A GRADUATED INCOME TAX SO THE PEOPLE WITH HIGH INCOME WOULD PAY MORE THAN PEOPLE WITH LOW INCOME.

CONGRESSMAN SETIK WAS INTERVIEWED ON THE HEADQUARTERS EDUCATION FOR SELF-GOVERNMENT PROGRAM "DIALOGUE FOR MICRONESIA."

(ALL USERS: PLEASE CREDIT CONGRESS OF MICRONESIA)
(CONGRESSIONAL ACTIVITIES SCHEDULE)

SAIPAN, APR. 24 (CONGRESS RELEASE)---IN ADDITION TO THE CURRENT BUDGET HEARINGS ON SAIPAN BY THE JOINT COMMITTEE ON PROGRAM AND BUDGET PLANNING, AND THE RECENTLY CONCLUDED HEARINGS ON VARIOUS PENDING LEGISLATION BY THE HOUSE COMMITTEE ON RESOURCES AND DEVELOPMENT, HERE ARE OTHER FORTHCOMING CONGRESSIONAL ACTIVITIES BETWEEN NOW AND THE END OF NEXT MONTH.

THE JOINT COMMITTEE ON PROGRAM AND BUDGET PLANNING (JCP&BP) MAY GO TO WASHINGTON SOMETIME NEXT MONTH TO TESTIFY BEFORE THE U.S. CONGRESS ON MICRONESIA'S BUDGET. A DECISION ON THE JOINT COMMITTEE'S TRIP WILL BE MADE PENDING U.S. CONGRESSIONAL ACTION ON MICRONESIA'S BUDGET REQUEST.

THE SPECIAL JOINT COMMITTEE CONCERNING RONGELAP AND UTIRIK IS ALSO SCHEDULED TO TRAVEL TO WASHINGTON NEXT MONTH TO MEET WITH MEMBERS OF THE U.S. CONGRESS TO DISCUSS INTRODUCTORY LEGISLATION TO PROVIDE ADDITIONAL COMPENSATION FOR THE PEOPLE OF RONGELAP AND UTIRIK.

912316

SENATOR AMBILOS IENSI OF PONAPE IS SCHEDULED TO ATTEND A MEETING OF THE SOUTH PACIFIC COMMISSION'S PLANNING COMMITTEE ON MAY 5 IN NOUMEA, NEW CALEDONIA. THE SPC'S PLANNING COMMITTEE IS ESSENTIALLY A BUDGET COMMITTEE WHICH FORMULATES THE FISCAL YEAR BUDGET OF THE SPC. SENATOR IENSI WILL PARTICIPATE IN THE FORMULATION OF THE NEXT YEAR'S SPC FISCAL BUDGET WHICH WILL BE CONSIDERED DURING THE UPCOMING SPC CONFERENCE TENTATIVELY SCHEDULED TO BE HELD IN THE REPUBLIC OF NAURU AROUND SEPTEMBER OF THIS YEAR.

IENSI WAS MICRONESIA'S PRINCIPAL DELEGATE TO THE SPC CONFERENCE IN 1972 AND AN ALTERNATE DURING THE 1973 SPC MEETINGS WITH CONGRESSMAN SASAOU HARUO. REPRESENTATIVE HARUO IS THIS YEAR'S PRINCIPAL DELEGATE TO THE SPC CONFERENCE.

SENATOR WILFRED KENDALL OF THE MARSHALLS AND CONGRESSMAN RAYMOND SETIK OF TRUK WILL ATTEND THIS YEAR'S ANNUAL UNITED NATION TRUSTEESHIP COUNCIL'S MEETING IN NEW YORK SCHEDULED TO BEGIN IN MAY '27.

ALSO, VARIOUS MEMBERS OF CONGRESS ARE TENTATIVELY SCHEDULED TO LEAVE FOR BANGKOK SOMETIME IN MAY TO MEET WITH REPRESENTATIVES OF THE ASIAN INSTITUTE OF ECONOMIC DEVELOPMENT PLANNING, (AIEDP). THE PURPOSE OF THE PROPOSED TRIP IS TO DISCUSS WITH REPRESENTATIVES OF AIEDP THE SCOPE OF ECONOMIC DEVELOPMENT PLANNING FOR MICRONESIA. AIEDP IS PART OF THE ECONOMIC AND SOCIAL COMMITTEE FOR ASIA AND THE PACIFIC.