## MINETY-FIFTH COMONERS

----

P. CRATHERM P. SHOPP, PROCESS OF CALLY, SALLY, SALLY S

U.S. Pouse of Representatives

Committee on

Merchant Marine and Sisheries

Room 1334, Longworth Wouse Office Building

Washington, D.C. 20515

November 4, 1977

CHIEF OF STAFF

CHIEF COUNSES.

PRANCES STILL

A (35)

MINORITY COUNSES.
W. PATRICK MORRIS

Honorable Phillip Burton U.S. House of Representatives 2454 Rayburn HOB Washington, D.C. 20515

Dear Phil:

This will acknowledge your recent letter to me enclosing a copy of a letter to you from Senator Gerrero concerning Congressman AuCoin's bill, H.R. 2564, having to do with joint ventures and foreign investments in the U.S. fishing industry, as the legislation relates to the Northern Mariana Islands.

First, it should be pointed out that the 200-Mile Fisheries Zone Act does not apply to the Trust Territory of the Pacific Islands. The word "State" as used throughout the Act was carefully defined to exclude the Trust Territory of the Pacific Islands, but to include the Northern Marinana Islands whenever they become a Commonwealth. In this regard, the word "State" is defined to mean ". . . any other commonwealth (emphasis added), territory or possession of the United States, in addition to the Commonwealth of Puerto Rico." Consequently, until the Northern Mariana Islands officially become a Commonwealth, the 200-Mile Fisheries Zone Act does not apply to their waters. Therefore, foreign fishermen are not presently prohibited from fishing within 200-miles of these Islands and fishing by citizens of the Islands is not regulated under the Act.

It is clear that, in 1981, when the Northern Mariana Islands officially become a Commonwealth, the 200-Mile Fisheries Zone Act will apply and a 200-mile fisheries zone will be established around the Commonwealth. Thereafter, foreign fishermen will not be allowed to fish

within 200-miles of the Commonwealth's shores except pursuant to a Governing International Fisheries Agreement (GIFA) and permits issued pursuant thereto.

Whenever the Northern Mariana Islands become a Commonwealth, the definition of "vessel of the United States" as contained in H.R. 2564 will apply to any vessel registered under the laws of the Commonwealth and to any vessel documented as a vessel of the U.S. and owned by a citizen of the Commonwealth. Consequently, as indicated in your letter and that of Senator Gerrero, H.R. 2564 would prohibit vessels more than 25 percent owned by foreign interests from fishing in the 200-mile fisheries zone of the Commonwealth except pursuant to a GIFA and permits issued pursuant thereto.

I have noted your suggestion that consideration should be given to allowing up to 50% of a corporation to be owned by a foreign interest, in view of the fact that the Northern Mariana Islands does not have a fishing fleet, nor is it likely to have one in the near future. I will see to it that this issue is brought to the attention of the other Members of the Subcommittee when the Subcommittee has further hearings on the AuCoin bill early next year.

I hope this provides you with the information you seek. I appreciate your bringing the concern of the residents of the Northern Mariana Islands to my attention, and we will certainly give their views every consideration when these hearings are held.

In the meantime, you may wish to have a member of your staff get in tocuh with Mr. Ned Everett, of my Subcommittee staff at 225-7307, concerning appropriate language for an amendment and other related matters.

With kindest regards,

Sincerely,

Robert L. Leggett, Chairman Subcommittee on Fisheries and Wildlife Conservation and the Environment

RLL: NPEmcz