

THE PRESIDENT'S PERSONAL REPRESENTATIVE FOR MICRONESIAN STATUS NEGOTIATIONS WASHINGTON, D.C. 20240

March 4, 1985

The Honorable Amata Kabua President Republic of the Marshall Islands Majuro, Marshall Islands 96960

Dear Mr. President:

I am happy to inform you that President Reagan resubmitted the Compact of Free Association to the U.S. Congress on February 20, 1985. The attached press releases from the White House and Department of State provide the full text of the President's letter of transmission.

The Compact has been referred to the same Committees as in the previous Congress. In the Senate, it is our expectation that the Energy and Natural Resources Committee will move quickly, without holding hearings, to approve the Compact and secure full Senate approval. In the House of Representatives, there is joint referral to the Interior and Foreign Affairs Committees. Congressman Seiberling has personally assured me that upon completion of his hearings in mid-March, he will move quickly to mark up the Compact and secure Subcommittee and full Committee approval. The House Foreign Affairs Committee is now planning to hold a hearing or hearings on the Compact in late April. As you know, the President's FY 1986 budget request is based on the assumption that the Compact will come into effect on October 1, 1985. We will continue to work closely with Congress, both members and staff, to bring about this result.

My staff and I are working closely with Oscar DeBrum and Carl Ingram and as always we are most appreciative of their advice and assistance on matters relating to Compact approval.

The budget for the first year Compact funding (FY '86) is included in the Department of State Section of the President's submission to the Congress. This budget configuration reflects the Administration's position that the post-Trusteeship management function should be an interagency office with administrative support provided by the State Department. I would also note, that the budget includes funding for \$299.27 million

which represents all the one time and recurrent costs for the first year of the Compact. Given the overall budget situation here in Washington, I can only state that full funding of the Compact clearly demonstrates this Administration's support for the goal of approval and implementation of the Compact and Trusteeship termination.

Once again, I want to thank you for your continued support and assistance during the Legislative approval of the Compact and express my best wishes for the future.

Sincerely,

in the state of the second of the second

Sem Thomsen, for Fred M. Zeder, II Ambassador