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United States Department of State

Washington, D.C. 20520

Dear Mr. Miller:

MAY 28 1986

This will respond to Diane G. Weinstein's letter of April 1, 1986 (sic) requesting the Department of State's comments on a revised draft of an Executive Order entitled "Management of the Compact of Free Association with the Republic of the Marshall Islands, the Federated States of Micronesia and the Republic of Palau".

The Department is quite pleased with Sections 1, 4, 6, and 7 of the revised draft. With regard Section 2, outlining the responsibilities of the Secretary of the Interior, the Department would like to note that for the purposes of the Executive Order it does not consider any of its programs or activities with respect to the Freely Associated States as being "provided to the Freely Associated States" and, by extension, subject to the coordination or monitoring of the Department of the Interior.

The Department also wishes to note that it understands other Federal departments and agencies may have difficulty with the question of funding their programs through the Interior budget and that a legislative solution to this problem is under consideration by the Department of the Interior.

With respect to Section 3 (d)(2), the Department of State notes that the scope and meaning of the term "interagency office" is unclear. The Department also believes that the designation "interagency office" is unnecessary and redundant given the seconding authority granted in Section 3 (d)(3) of the Order. It would be State's preference to drop from the final draft the clause "which shall be an interagency office" in the first sentence of Section 3 (d)(2).

The Honorable
James C. Miller, III,
Office of Budget and Management,
Old Executive Office Building,
Washington, D.C.



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Finally, the Department finds the new language in Section 5 relating to the Secretary of Defense poses considerable difficulty, since it is too broad and, as now drafted, gives the Secretary virtually unlimited scope to define "security and defense related matters." State recommends returning to the original language in the last sentence of Section 5, "exclusively military operations within".

Sincerely,

James W. Dyer
Acting Assistant Secretary
Legislative and Intergovernmental Affairs