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- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

FOR ARCHIVES

Files

Territories

Disability Review - Outreach

Disability Review - Guiding Principles

Social Security: HR427/4278

Legal Issues

SSI Issues

Conference on Aging

A binder re: Child Support Enforcement and Assurance

Kathi Way
Spec. Ass't. to the President
for Domestic Policy
Room 218 OEOP

DONNA STRONG

BRUCE REED

ENCLOSURES FILED OVERSIZE ATTACHMENTS

1604 filed 6/19/96
rr

7356

NARA 5198



United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, D.C. 20240

DRAFT

Honorable Frank Murkowski
Chairman
Committee on Energy
and Natural Resources
United States Senate
Washington, D.C. 20515

Re: Report Regarding CNMI Immigration and Labor Issues

Dear Mr. Chairman:

In hearings conducted on September 22, 1994, before the Senate Subcommittee on Mineral Resources Development and Production, the Deputy Assistant Secretary of the Interior for Territorial and International Affairs (OTIA) outlined the Administration's approach to immigration and labor problems confronting the Commonwealth of the Northern Mariana Islands (CNMI). Administration witnesses discussed the then-pending appropriation of \$7 million in the Interior Appropriations Act for fiscal year 1995 to address these problems through federal interagency coordination and cooperative efforts with the CNMI.¹

Additionally, the Administration offered to submit to the Congress, by March 15, 1995, a report outlining the use of this money and recommendations on further actions that may be necessary to address federal interests and concerns regarding these problems. This letter and its attachments comprise the Administration's report. Since we understand that the full Committee on Energy and Natural Resources has assumed primary jurisdiction for insular matters, we have addressed this report to you.

¹ P.L. 103-740. The money was for "technical and other assistance to the CNMI to help track and identify alien workers, to enforce applicable immigration laws in the CNMI and to provide technical assistance to the CNMI in developing related labor rules and regulations for alien workers. The funds may also be used, with the assistance of the U.S. Immigration and Naturalization Service, to develop a computer data base and identification system for aliens, and, if appropriate, for planning of detention facilities." In addition, the legislative history regarding the appropriation stated, "the CNMI needs to be given the necessary resources, including technical assistance from the INS, the Justice Department, and the Department of Labor to assure that applicable laws are followed and enforced"

Statement of the Problem

Allegations of widespread exploitation and abuse of non U.S. citizen contract workers form the preliminary basis of our evaluation of the immigration and labor problem in the CNMI. Based on information from federal and local agencies, eye witness accounts and other sources, the situation in the CNMI involves allegations of late payment and non-payment of wages, excessive working hours, poor working and living conditions, lock-downs, involuntary servitude, forced prostitution, rapes, beatings, intimidation, racial discrimination and other allegations of labor and civil rights violations by private employers and recruiting agencies and by local officials under color of law.²

While most allegations have focused on the plight of non-U.S. citizen contract workers, there have also been reports of the disruptive effects that the large, non-U.S. citizen worker population has had on the social, economic and political institutions of the CNMI.³ The problems cited include workers overstaying their work permits, inability of local officials to track alien workers, frivolous labor complaints, fraudulent employment credentials, preferential hiring of low-paid alien workers over resident workers, increased drug trafficking, white collar crime and government corruption, strain on local government services and infrastructure and the future political impact of children of non-U.S. citizen workers born in the CNMI who, by birth, are U.S. citizens.

We believe that these problems are symptomatic of several conditions that now exist in the CNMI. First, immigration is controlled locally and CNMI policies have encouraged the easy and massive importation of foreign workers in low-paying service and manufacturing sectors. Second, the minimum wage in the CNMI is set locally at levels much lower than the federal minimum wage and only in selected occupations. Third, the CNMI's labor, criminal and immigration laws are not drafted with protection

² The U.S. Departments of Labor and Justice have filed employee wage dispute and discrimination cases against private citizens and the CNMI government (Public School System), which resulted in a multi-million dollar settlement in favor of the employees. Currently, the National Labor Relations Board (NLRB) is investigating charges filed against the Hafa Adai Beach Hotel in Garapan, Saipan, alleging that certain Filipino employees' annual contracts were not renewed because of their two-year involvement in a fair labor standards lawsuit in the federal court. The case, which directly relates to the ongoing problems with the CNMI's regulation of immigration, is pending trial.

³ The CNMI presently has an estimated population of 57,238, of which over 50% are non-residents. Of the total number of registered aliens recorded in the CNMI in 1993, 15,319 or 59.75% are Philippine nationals, 6887 or 26.6% are Chinese nationals, 1,525 or 5.95% are Korean nationals, 831 or 3.24% are Japanese nationals, and 1,074 or 4.19% are other nationalities representing 56 other countries from around the world.

adequate to address current conditions. Fourth, CNMI officials responsible for local enforcement lack the training, expertise and technical resources needed to adequately investigate, enforce and prosecute appropriate labor, immigration and criminal cases.

In addition to the conditions outlined above, most of which might be characterized as "structural" to the extent they involve governmental institutions and official policies, we believe there is another contributing factor to the problems in the CNMI. This factor consists of the practical difficulties inherent in enforcing local laws in a small and geographically insular community where officials responsible for government policy and law enforcement are often closely related through blood, marriage, economic or political ties with those alleged to be violating the law.

Short-term: Actions Taken and Planned

During the past six months, Federal agencies have met on numerous occasions to develop a cohesive and coordinated plan for addressing these problems.⁴ Members of the Federal interagency working group also traveled to the CNMI in early November to meet with their counterparts in the CNMI government.⁵

The preliminary result of these interagency and intergovernmental efforts was the allocation of the \$7 million appropriation through direct grants and reimbursable support agreements as follows:

- o CNMI - \$3,000,000. OTIA executed grants of \$3,000,000 to the CNMI, of which \$1,500,000 will be used to develop and purchase a computerized immigration identification and tracking system of non-U.S. citizens and \$1,500,000 will be

⁴ Prior to Congressional hearings on these issues, OTIA had chaired a Federal interagency working group comprised of the following agencies: the Department of Labor (Wage and Hour Division, Occupational Safety and Health Administration, Employment and Training Administration, Office of the Solicitor), the Department of Justice (Civil Rights Division, Executive Office of United States Attorneys, Immigration and Naturalization Service, the Federal Bureau of Investigation, the Drug Enforcement Administration, the U.S. Marshal Service, the National Institute of Corrections), the Department of Treasury (U.S. Secret Service, U.S. Customs Service, the Bureau of Alcohol, Tobacco and Firearms) and the Department of State.

⁵ The CNMI was represented by the Office of the Governor, the Office of the CNMI Attorney General, the Secretary of Labor and Immigration and the Department of Public Safety. Subsequent to the November meetings between federal and local officials in the CNMI, there were numerous visits by CNMI officials to Washington and regular communications among federal agencies to follow-up on various initiatives.

used for local projects.⁶ The computerized system, which will be designed to be compatible with the specifications of INS systems, will reduce abuse of non-U.S. citizen contract workers by allowing the CNMI government to monitor and enforce compliance of local immigration and labor laws.⁷ According to plans of action outlined by the CNMI, local projects include: hiring labor, employment services, immigration, and police advisors; hiring additional investigators and criminal attorneys; strengthening local labor and criminal laws; training local labor and law enforcement personnel; establishing a forensic laboratory; establishing a deportation program and detention facility; and providing safe houses and other protective services to victims of labor and other abuse.

o **U.S. Department of Justice - \$2,200,000.** OTIA entered into a \$2,200,000 reimbursable support agreement with the U.S. Department of Justice to strengthen enforcement of federal laws. Based on plans of actions submitted by the U.S. Department of Justice's bureaus, the funds will be used, among other things, to hire an additional F.B.I. special agent and an Assistant U.S. Attorney to be stationed in the CNMI specifically to investigate and prosecute violations of federal civil rights laws, including involuntary servitude and slavery, peonage, racial and religious discrimination, and police brutality and misconduct under color of law. Additionally, the U.S. Department of Justice will, as warranted from time to time, send attorneys from the Criminal Section of its Civil Rights Division, as well as other relevant sections of the Civil Rights Division, to prosecute federal criminal civil rights violations. Furthermore, funds have been allocated to the INS to assist the CNMI in the development of the

⁶ Copies of OTIA's grants to the CNMI and follow-up correspondence from the CNMI are attached as Exhibit A. OTIA had requested an update on actions from the CNMI in February, but OTIA has not received any additional information to date.

⁷ The CNMI Department of Labor and Immigration is developing a secure network computer system that integrates imaging, data collection and network functions into a comprehensive information system, the Immigration and Identification System (IIDS) for the Immigration and Labor Project. The system will be capable of issuing secure alien registration cards and entry permits to non-U.S. citizens for the purpose of identifying and documenting their arrivals and departures into and from the CNMI; issuing secure work permits to non-U.S. citizens for the purpose of documenting their legal right to work within the CNMI as per CNMI labor laws; and enforcing CNMI labor and immigration laws.

The Office of Territorial and International Affairs (OTIA) granted \$1,500,000 on December 30, 1994, to the CNMI to assist in the procurement, development, install, and operation of the IIDS. The IIDS is to be compatible with the U.S. Immigration and Naturalization Service systems. OTIA and the INS will provide assistance to the CNMI in the establishment of the system. Please see Exhibit A for more information regarding IIDS.

computerized immigration identification and tracking system and ensuring compatibility with INS computer systems. Other U.S. Department of Justice activities include: the assignment of additional Drug Enforcement Agency agents for up to six months to the CNMI; the assignment of an additional Deputy U.S. Marshal for two years to the CNMI; and the completion of a corrections/detention assessment by the National Institute of Corrections.⁸

o **U.S. Department of Labor - \$1,600,000.** OTIA entered into a \$1,600,000 reimbursable support agreement with the U.S. Department of Labor to strengthen the enforcement of applicable federal labor laws. Based on the plans of action submitted by its bureaus, the Department of Labor plans to assign two senior investigators from its Wage and Hour Division to the CNMI. These investigators will work with Labor's Office of the Solicitor in the San Francisco Region on possible enforcement and litigation actions. Further, the Department's Occupational Safety and Health Administration plans to enter into a cooperative agreement with the Northern Marianas College on developing outreach, training, and educational activities. The Office of Foreign Certification in the Employment and Training Administration will also assist the CNMI in improving its alien certification program.⁹

o **U.S. Department of Treasury - \$200,000.** OTIA has entered a Reimbursable Support Agreement with the Secret Service. OTIA is negotiating separate agreements with U.S. Customs Service and the Bureau of Alcohol, Tobacco, and Firearms in the U.S. Department of Treasury. The agreements will provide assistance for training for investigating violations of federal law related to firearms, organized crime, and counterfeiting.¹⁰

Long-Term: Recommendations

We have been fortunate to have the cooperation of Governor Tenorio and his administration on local initiatives and in coordinating activities with the federal agencies. Governor Tenorio has acknowledged the seriousness of the immigration and

⁸ Copies of OTIA's reimbursable support agreement with the Department of Justice and the plans of actions submitted by various Justice bureaus are attached as Exhibit B.

⁹ Copies of OTIA's reimbursable support agreement with the Department of Labor and the action plans submitted by Labor bureaus are attached as Exhibit C.

¹⁰ A copy of OTIA's Reimbursable Support Agreement with the Secret Service and the Treasury bureau's action plans submitted are attached as Exhibit D.

labor problems confronting the CNMI and is making efforts to deal with these problems on an executive level. Unfortunately, Governor Tenorio has been unable to obtain legislative support on a number of labor, immigration, minimum wage and tax reform initiatives to address these problems effectively. Furthermore, there have been recent indications of movement away from these reforms -- e.g. the CNMI House of Representatives recently voted to roll back the anticipated increases in the local minimum wage; there were also reports that Governor Tenorio supported this roll back.

We believe that the problems identified earlier in this report cannot be resolved without a sustained, long-term commitment to reform the underlying conditions that gave rise to these problems in the first instance. Despite the sincere efforts of some of the CNMI's leaders to deal with these issues locally, there also are those who benefit from the status quo who will resist local reforms. Because of the uncertainty arising from this situation, we believe that the need for federal oversight and intervention will continue into the foreseeable future. We therefore recommend that the following long-term initiatives be implemented¹¹:

- (1) Enact federal law incorporating the current CNMI minimum wage law (\$2.75 an hour) into the Fair Labor and Standards Act and including a provision for a \$0.30 annual increases to continue as necessary until the CNMI minimum wage reaches the federal level;¹²
- (2) Enact federal law to gradually phase out the amount of federal financial assistance granted under the CNMI Covenant;¹³

¹¹ The Administration shall transmit under separate cover the legislation required to implement these recommendations.

¹² This proposal would "federalize", by incorporation into the Fair Labor Standards Act, the CNMI's current minimum wage law (at \$2.75 per hour) and include the provision for \$.30 annual increases to continue as necessary until the CNMI minimum wage reaches the current mainland level. This proposal would thereby eliminate the possibility of future local manipulation. The determination as to whether and to what extent to carry forward the existing CNMI coverage provisions (i.e. which occupations are covered by the minimum wage) would be made by Department of Labor after consultation with the CNMI.

¹³ We believe that a factor contributing to the CNMI's current immigration and labor problems is the CNMI's reluctance to raise sufficient local revenues to improve local government services and infrastructure to accommodate the large non-U.S. citizen guest worker population. This recommendation, if implemented, would provide a strong economic incentive for the CNMI to reform its tax laws to offset the loss in federal capital infrastructure funding. Local tax reforms, when coupled with minimum wage reforms, would also have an impact on the current reliance by local businesses on non-U.S. citizen contract workers. The

- (3) The Department of the Interior shall reserve as a contingency fund \$3 million each year until the year 2001 out of funds appropriated under the CNMI Covenant for use by federal agencies and the CNMI to address immigration and labor problems, including construction of detention facilities as determined by the detention/corrections assessment being compiled by the National Institute of Corrections,¹⁴ and if necessary for costs of applying the Immigration and Nationality Act to the CNMI (cf. recommendation 5).
- (4) Enact federal law requiring the Department of the Interior, in consultation with the Departments of Justice, Labor, and Treasury to report to the Congress by March 15 each year on efforts to resolve immigration and labor issues in the CNMI, including but not limited to: the number of non-United States citizen contract workers in the CNMI; treatment and conditions of non-United States citizen contract workers, including any foreign government interference with workers' ability to assert their rights under United States law; impact of CNMI laws on federal interests; the effective enforcement of local laws; adequacy of local detention facilities; and the accuracy and reliability of the computerized identification and tracking system and its compatibility with INS systems. To aid coordination

Administration has submitted proposed legislation entitled the Insular Development Act, which would reallocate and phase out the \$27.7 million each year that is currently appropriated for capital improvement projects in the CNMI. Under the proposed legislation, the CNMI will continue to receive \$6.1 million annually through fiscal year 2001 for infrastructure, to mitigate social and education costs caused by the Compact of Free Association (Compact impact) and to improve local capabilities to enforce labor and immigration laws. The proposal also allocates \$15 million annually to American Samoa for infrastructure needs and \$4.5 million to Guam to mitigate Compact impact.

¹⁴ Over \$80 million in federal funds from prior appropriations are unused and currently available to the CNMI for capital infrastructure construction. Details concerning the specific amount of appropriated funds that should be earmarked for on-going efforts to address immigration and labor problems will be included in the Administration's annual Interior Appropriations Budget for fiscal year 1997. We do not anticipate requiring additional funds for fiscal year 1996 because the federal short-term initiatives outlined previously were funded for a two-year period with \$4 million of the \$7 million fiscal year 1995 appropriation. In the event that proposed Insular Development Act is not implemented and funding levels for the CNMI remain at \$27.7 million annually, or if another funding structure for the CNMI is implemented, we strongly urge Congress to earmark an appropriate portion of such funds for continued use by federal agencies to maintain on-going federal efforts. Based on the current allocation of the fiscal year 1995 appropriation, we anticipate future federal funding for these purposes to be approximately \$2 million per year. If the Administration's proposed Insular Development Act is enacted (see supra footnote 12), we propose earmarking a portion of the \$6.1 million allocated to the CNMI specifically to pay for on-going federal initiatives to resolve immigration, labor, and detention/corrections problems.

between the federal and CNMI immigration systems and to facilitate INS contribution to the report, (1) the CNMI shall semi-annually (or more often if requested by the INS) provide to the INS, such information as the INS may require, and (2) the CNMI and INS shall cooperate in the identification, and if necessary exclusion or deportation, of persons who represent security or legal risks to the CNMI or the United States.

- (5) If law enforcement in the CNMI remains deficient and if the number of non-United States citizen contract workers exceeds 1992 levels (as determined in the March 15, 1997 report), then the INS, in consultation with the Departments of Interior, Justice, and Labor, and the CNMI, shall promptly develop legislation to gradually phase out of the number of non-United States citizen contract workers in the CNMI and the orderly phase in of the full application of the Immigration and Nationality Act to the CNMI.

We believe that the short-term initiatives of the Administration and the CNMI, when coupled with the implementation of the our long-term recommendations outlined above, will address the causes of the CNMI's immigration and labor problems.

Copies of this report are also being sent to Senator J. Bennett Johnston, Ranking Member of the Senate Energy and Natural Resources Committee; the Chairmen and Ranking Members of the Senate Interior Appropriations Subcommittees; and the Chairmen and Ranking Members of the House Committee on Resources and its Subcommittee on Native American and Indian Affairs.

Sincerely,

MEETING ON GUAM'S POLITICAL STATUS
Tuesday, February 21, 1995

Agenda/Outline

I. Background

- A. In 1988, Draft Guam Commonwealth Act adopted by voters on Guam.
- B. Michael Heyman appointed by Administration to head Interagency Task Force on proposed Guam Commonwealth Act.
- C. Agreement reached regarding "mutual consent".
- D. Secretary Babbitt announces last month that Office of Territorial and Insular Affairs (OTIA) will dissolve Oct. 1, 1995 and Michael Heyman steps down as the head of the Interagency Task Force handling the negotiation of Guam's political status.

II. Current Status and Questions

- A. Examining future structure of process--how to proceed.
 - 1. Task force versus other model.
 - 2. Who will be Administration's "point person" on this issue?
 - 3. Steering issue through the Task Force/Executive/Legislative/Judicial areas.

III. Other Issues of Concern to Guam (*time permitting*)

- A. The Jones Act
- B. Philippine Visa Waiver
- C. Return of Federal Lands
- D. OTIA -- Funding Issues
- F. Tax Code

DATE: February 21, 1995
TO: Carol Rasco
FROM: Mike Schmidt
RE: Meeting with John Hasselmann on Guam

This afternoon, you will be meeting with John Hasselmann, Washington Office of the Governor of Guam, to discuss several issues relating to Guam's current political status. I met with John last Friday to get some background information on what he is interested in discussing at today's meeting. At that meeting, he indicated to me that he viewed today's meeting with you as an informal session to bring you up to date on Guam's status and to get your advice/suggestions on several issues (see below). I have attached a draft agenda for the meeting that John and his office sent over on Friday. In this memo, I will present some additional background information for your review prior to the meeting.

BACKGROUND

All of the issues that will be discussed in today's meeting revolve around Guam's efforts to achieve Commonwealth status. The first step in this process took place in 1988, when Guam voters passed the Draft Guam Commonwealth Act. As soon as this Act was passed, Guam entered into a series of negotiations with the Federal Government over a number of technical, legal, and political issues that must be agreed upon before a Guam Commonwealth Act can be brought up and passed by Congress. Below is a summary of some of the major events that have taken place in this process since the Clinton Administration took office:

- Secretary Babbitt appointed Michael Heyman to be the Administration's lead point of contact and negotiator with Guam on the Commonwealth issue.
- Guam and the Administration move to the issue of **Mutual Consent**, rather than "commonwealth," as the centerpiece of negotiations over Guam's political status. This movement is important in furthering negotiations, since the term "commonwealth" was never defined by Guam voters in passing the 1988 Act, and in practice the term means radically different things in different situations (the Commonwealth of Virginia means much different things than the Commonwealth of Puerto Rico). Mutual Consent has two distinct levels of meaning that must be agreed upon by both sides: At the first level, Mutual Consent means that once Guam and the U.S. agree on an appropriate political agreement that sets guidelines for the application of current Federal laws to Guam, that agreement cannot be changed without the consent of both sides; at the second level, Guam and the U.S. Government must decide how/whether future Federal laws which contradict the original agreement apply to Guam.
- Last month, Secretary Babbitt announced that the Office of Territorial and Insular Affairs (OTIA) will dissolve on October 1, 1995 as a part of the Department's Reinventing Government efforts. At the same time, the Secretary also announced that Michael Heyman will be stepping down as the Administration's lead negotiator with Guam. OTIA's functions will be picked up by a smaller Office of Territorial Affairs in the

Department's policy shop. Secretary Babbitt is still deciding on a replacement for Michael Heyman.

- At last month's National Governors' Association meeting, the NGA passed a resolution calling on the Federal Government to work with Guam "to establish a relationship that recognizes Guam's unique needs and that is based on mutual consent."

ISSUES TO BE DISCUSSED

After talking to John last Friday, I have summarized two of the most important issues that he is interested in discussing with you at today's meeting. The headers I have chosen match items II A. 1. and II A. 2. on the attached Agenda.

Task Force Versus Other Model?

The question here is whether Michael Heyman's replacement should lead an Interagency Task Force on the issue of Guam's political status or some other model. I think there is some confusion here over what has existed in the past -- John mentioned to me that Michael Heyman has been chairing an Interagency Task Force on Guam's political status for the past few years. However, in conversations with Donsia and with the Department, I can find no evidence of any such task force ever existing in this Administration. This confusion may be caused by a separate discussion that took place last year over whether or not the Administration should create an Interagency Policy Council on Territories under the DPC. Secretary Babbitt proposed this last year, but the proposal was rejected. We should be prepared to see a new proposal on this very issue emerge from the Secretary sometime this year as a part of Interior's ReGo II process -- apparently both Babbitt and Leslie Turner (Assistant Secretary, OTIA) were pressed hard by Congress to do something on this subject.

Who Will Be the Administration's Point Person on This Issue?

The Governor of Guam feels very strongly that whoever is the lead Administration person on this issue must have "the ear of top White House Officials." A number of Territorial Governors are pushing for the creation of an "ombudsman" in the White House dealing with Territorial policy, although they disagree over whether this ombudsman would be under the DPC or the NSC. In my conversations with John, I did not get the sense that Guam is pushing for having Michael Heyman's position be filled by someone at the White House rather than at Interior -- they seem fine with continuing with someone at Interior as the lead -- although I think it is important to Guam that someone in the White House be following the Guam issue.

01/27/93 FAX 10:00 FAX 202 200 7018

STATEMENT OF LESLIE M. TURNER, ASSISTANT SECRETARY OF THE INTERIOR FOR TERRITORIAL AND INTERNATIONAL AFFAIRS, BEFORE THE HOUSE SUBCOMMITTEE ON NATIVE AMERICAN AND INSULAR AFFAIRS, REGARDING H.R. 602, A BILL ENTITLED THE "OMNIBUS TERRITORIES ACT."

Mr. Chairman and members of the House Subcommittee on Native American and Insular Affairs, I wish to congratulate you on the establishment of this subcommittee. Each insular area is an unique entity within the American political family and each possesses unique qualities that differ significantly from the fifty states and from each other. It is fortunate and appropriate that the House of Representatives has elected to retain a subcommittee that is specially charged with insular affairs. Through this subcommittee, the insular areas have an institutional channel within the legislative branch of our national government that can give voice to their special needs and priorities.

Territorial Administrative Cessation Act - Title I

Over many decades, the territories office at Interior has been downsized and reinvented with each successive change in mission. Today is no different. Under the Clinton Administration, the reinvention of the Office of Territorial and International Affairs (OTIA) continues. Under Vice President Gore's National

Performance Review initiative, each executive department and agency has been charged with the responsibility of finding innovative ways to make government work better and cost less. For the past two years, we have taken a long hard look at what we do, how we do it and why we do it. I believe we have made tremendous strides these past two years to achieve the President's goal of having a government that is "smaller, less costly and smarter, leaner not meaner."

During the first phase of the National Performance Review, OTIA redefined its mission, consulted with its customers, explored a number of options on how the federal government can improve its relations with the insular areas, and proposed a restructuring of OTIA that emphasized a cross-agency, team-based approach.

The next step is the second phase of the National Performance Review, better known as "REGO II." The President, in his State of the Union address, said that federal employment will be reduced by 150,000 this year alone. He said, "We have to cut yesterday's government to help solve tomorrow's problems." We at Interior have been at the forefront of change under President Clinton's program for reinventing government. If we can be more efficient and still accomplish the work assigned to us, it will be done. You can be sure of that. We are still working on the details of our REGO II proposals for OTIA.

Northern Mariana Islands -- Title II

As a general matter, we interpret title II of H.R. 602 as seeking to achieve three objectives: (1) imposition of federal minimum wage laws to the CNMI; (2) imposition of a federal role in the immigration program of the CNMI; and (3) elimination of the CNMI's authority to grant local tax rebates. While we generally agree with these objectives, we would like to proceed carefully regarding the timing and manner in which these objectives are implemented in order to be sensitive to the economic, social and political circumstances in the CNMI.

In response to deplorable labor and law enforcement problems in the CNMI and congressional expressions of deep concern, my office in partnership with the CNMI government, set in motion potentially sweeping changes for the Northern Mariana Islands. Governor Tenorio, many members of the Congress and OTIA agree that the current immigration, labor, and law enforcement situation in the islands is intolerable and cannot continue. We remain concerned, however, that our policy of promoting local self-government in the islands be protected and nurtured. Above all, American notions of fair play and justice must prevail in all corners of America, including the Northern Mariana Islands.

With these considerations in mind, we proposed a two-tiered, short-term/long-term approach for solving the problems. Short-

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term we proposed (1) to allow the CNMI legislature six months to act responsibly on locally proposed solutions to the immigration and labor problems, many of which were proposed by Governor Tenorio, and (2) to closely coordinate federal interagency assistance to the CNMI on local immigration, law enforcement, and labor issues. On the interagency agenda was allocation of the \$7 million in the fiscal year 1995 appropriation (which Congress earmarked to deal with these issues) and development of memoranda of agreement for (1) establishing a computerized tracking system for foreign guests in the CNMI, (2) increasing federal investigative and law enforcement staffing, (3) increasing Department of Labor training and enforcement, and (4) a study of local detention and prison needs.

Long-term, we promised to report to Congress by March 15, 1995 with recommendations for further action, if necessary, to respond to federal concerns. Ideas under consideration include:

- (1) the acceleration of application of the federal minimum wage and coverage principles to the CNMI,
- (2) the application of United States immigration laws or some variation thereof,
- (3) the proposal of the Governor for a moratorium on immigration into the CNMI based on 1992 levels of non-United States-citizen residents,

- (4) the authority for the federal government to deport persons who represent a national security or law enforcement risk to the United States,
- (5) application of the Mann Act to transportation within the Commonwealth,
- (6) the request of the Governor regarding the citizenship status of the children of non-United States-citizen residents,
- (7) rules regarding duty-free goods made by non-United States-citizens, and
- (8) changes in the level and allocation of infrastructure funds made available under Covenant section 702.

Thus, while the general objectives of title II are consistent with the objectives of the working group and many of the provisions of title II will be under consideration in the CNMI immigration/labor working group, we must wait until March 15 to fashion our recommendations. Until that time, we believe it would be premature for the Administration to recommend the imposition of federal immigration and labor controls on the CNMI.

Immigration

With regard to our short-term immigration goals, we continue to move forward. The federal interagency working group chaired by OTIA has provided \$2.1 million in immigration-related grants -- \$1.5 million for a computerized tracking system that is

compatible with the INS system; \$300,000 to establish INS personnel in the CNMI and provide training of CNMI immigration personnel; and \$300,000 to assist CNMI in the deportation of illegal immigrants.

While the CNMI continues to have jurisdiction over immigration in the CNMI, there will be INS personnel present in the CNMI. We look for beneficial results.

Minimum Wage:

The CNMI Legislature recently considered rolling back a previously scheduled increase in the local minimum wage from \$3.75 per hour to \$3.45 per hour. Although this legislation has not been passed into law, we are concerned about the degree of the Commonwealth's commitment to raising the minimum wage.

We are in support of the application of the national minimum wage in the Northern Marianas and we believe that it should be phased in more rapidly than is reflected in the current objective of local law to reach \$4.25 by the year 2000. However, we do not believe that the application of the Fair Labor Standards Act provision for setting minimum wages through meetings of industry committees, as is now done in American Samoa, is necessarily the best way to accomplish this goal.

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The economic situation in the Northern Mariana Islands is substantially different from that in American Samoa. American Samoa is surrounded by low-wage less-developed island nations. Those islands compete with American Samoa in the essential and labor-intensive tuna canning industry and in other potential industries, including tourism. The employees of the government of American Samoa are paid on a salary schedule based on the minimum wage. Thus any increase in American Samoa minimum wages has an immediate substantial impact on employment, tax revenues, and government expenditures.

On the other hand, the Northern Marianas lie in the Western Pacific near the rich Japanese and emerging Asian markets, on which the tourism market is based. The CNMI's major competitors for this market are Guam and other areas of rapidly growing economies and incomes. Virtually all local residents of the CNMI, including government employees, are now earning more than the national minimum wage. The only purpose served by the lower CNMI minimum wage is to maintain a lower wage for alien workers; workers who are subject to the national minimum wage in neighboring Guam.

We believe that application of the industry committee system is thus not appropriate for the CNMI. We also believe, however, that the national minimum wage should be applied in stages in order to avoid disrupting the established dependence of the

economy on low-wage alien workers. Working with the Commonwealth Government, the U. S. Department of Labor, and this Committee, we expect to recommend an appropriate plan for phasing in the national minimum wage in our report in March.

Rebate of Income Taxes:

The CNMI Government recently passed legislation reducing the level of rebates from 95 percent to a sliding scale of 90 to 50 percent, based on income level. While we consider this a step in the right direction, we are not convinced of the need for the CNMI Government to rebate any taxes paid under the internal revenue code. One effect of the rebate has been to reduce tax receipts below a level sufficient to provide and maintain adequate government infrastructure and services. Another effect has been to place much of the tax burden on low income workers, while providing generous treatment to wealthy individuals.

Eliminating the rebate will require some readjustments in the economy and tax system, including reductions of the wage and salary tax and the gross receipts tax. We would suggest a delay in repeal of the rebate provision so that we can work with the local government, the Treasury Department and the Committee to design a transition to a more appropriate tax system for the Commonwealth.

Insular Areas Consolidation Act -- Title III

Title III would make Baker Island, Jarvis Island, Johnston Atoll, Kingman Reef, Howland Island, the Midway Islands, and Palmyra Atoll part of the State of Hawaii, if accepted by Hawaii. At present these islands are federally administered as follows:

Baker Island	Department of the Interior
Jarvis Island	Department of the Interior
Howland Island	Department of the Interior
Palmyra Atoll	Department of the Interior
Johnston Atoll	Departments of Defense and the Interior
Midway Islands	Departments of Defense and the Interior
Kingman Reef	Department of Defense

We believe it is appropriate to invite the State of Hawaii to comment on this proposed transfer.

The bill, in sections 302(c) and 304, recognizes on-going federal uses and private property rights in the islands that would be transferred. The proposal, however, raises concern over the application of law. We could expect conflict over application of the Hawaii unemployment, health care, and environmental laws, and federal minimum wage and immigration laws, among others. If the author's intention is status quo use, additional clarifying language regarding the conflict of laws is necessary.

We note that there were attempts in prior Congresses to achieve the same type of consolidation. In prior bills, Wake Atoll was included. Is there a reason that Wake Atoll was not included in H.R. 602?

Conveyance of Submerged Lands to the CNMI -- Title IV

Under title IV, United States submerged lands out to three miles from the Northern Mariana Islands would be conveyed to the Northern Mariana Islands within 120 days after enactment. Title IV would make the ownership of the submerged lands that surround the CNMI consistent with the ownership of submerged lands that surround other United States insular areas. The Department of the Interior supports enactment of title IV.

Guam WWII Loyalty Recognition Act -- Title V

The Guam World War II Loyalty Recognition Act, would establish a loyalty recognition trust fund for payment for World War II suffering of local residents of Guam. The trust fund could accept gifts for paying awards. The federal government, which is not liable for the atrocities committed on Guam during Japanese occupation, would fund the administrative costs of the Guam World War II Loyalty Recognition Trust Fund Board of Directors for three years.

As written, the Act raises several questions regarding the role of the Federal government and Congress in this process. For

example, private contributions to the trust fund would enter the Federal Treasury. Therefore, additional Congressional authorization and appropriations would be necessary for the payment of awards and benefits by the Board. Additionally, according to treaty, the Government of Japan is not liable for war damage payments to the United States or its citizens. While the narrative accompanying the introduction of H.R. 602 notes that "private" contributions will fund the trust fund, the bill itself does not define "private contributions." Finally, the bill provides for the President to appoint members of the Board. However, given the enormous number of appointments which the White House currently must make, I believe that likely delays in the process should be recognized and non-Federal appointment of Board members considered.

The Administration has no objection to the concept of the establishment of the Guam Loyalty Recognition Trust, but would suggest consideration to shift responsibility from the Federal to the Guam Government by providing that: (1) appointments would be made by the Governor of Guam, (2) all contributions to the trust fund would be from non-governmental entities, (3) trust fund moneys would be deposited in the Treasury of Guam, and (4) payment of administrative costs would be made by the Government of Guam.

Trade -- Title VII

Section 701 calls for consultation with representatives of the governors of the insular areas regarding trade initiatives for the Americas and Asia-Pacific region. The insular areas are affected in crucial ways in trade negotiations. As projections of the United States in overseas areas, they are often critically influenced by trade negotiations. Section 701 would formalize the consultation process with these American jurisdictions. The Department of the Interior supports enactment of section 701. This Administration believes in consultation where at all possible. Given the pressures of trade negotiations, however, such consultation should be permissive.

Section 702, subsection (a), provides the United States insular areas with access to the United States for their products on terms no less favorable than those accorded products of countries with which the United States has free trade agreements. The Department of the Interior is in full support of this provision.

The United States insular areas outside United States customs territory already enjoy access superior to that provided under free trade agreements because of the more liberal rules of origin under General Note 3(a)(iv) of the Harmonized Tariff Schedule of the United States. However, our position has always been that import rules applied to insular areas should assure that their

products will never be treated less favorably than products of foreign countries.

Subsection (b) provides for a tariff staging agreement with each insular area phasing out tariffs between them and the United States customs territory over not more than 10 years. Implementation of subsection (a) is made conditional on these staging agreements.

Because there are no tariffs levied by either the insular areas or the United States on each others products, there is no reason for this provision, nor is there any reason to delay the application of subsection (a). The Department supports the immediate application of subsection (a) without the requirement for reaching staging agreements.

Section 703, paragraph (1), would include the insular areas now outside of United States customs territory in that customs territory upon the phasing out of tariffs. I am not aware of any request by insular governments to be included in the United States customs territory. Moreover, I believe that inclusion would have consequences detrimental to the economic development of the islands. Most notably, it would eliminate those industries that depend on importation of materials free of duty and quota to be transformed into products imported into the United States customs territory free of duty. These industries

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include the Virgin Islands watch industry, the Virgin Islands rum industry, the American Samoa tuna canning industry and the Northern Marianas garment industry.

Although I realize that this provision is conditional upon completion of a tariff staging agreement, I cannot support it in view of its potentially serious detrimental effects,

Section 703, paragraph (2), would require the President to take all steps necessary to include the insular areas in the North American Free Trade Agreement and other free trade agreements. I note that passage of this provision would require substantial additional definition of the terms on which insular areas would be included in free trade areas. I believe there is some uncertainty about the potential costs and benefits of inclusion. The Department of the Interior, however, does not oppose giving the President discretionary authority to include the insular areas.

THE WHITE HOUSE
WASHINGTON

December 2, 1994

2013-0854-S
DETERMINED TO BE AN
ADMINISTRATIVE MARKING
INITIALS: MA DATE: 8/15/13

~~CONFIDENTIAL~~

MEMORANDUM TO JEREMY D. BEN-AMI
CHIEF OF STAFF FOR DOMESTIC POLICY COUNCIL

FROM: MARCIA HALE
ASSISTANT TO THE PRESIDENT AND
DIRECTOR OF INTERGOVERNMENTAL AFFAIRS

JEFFREY FARROW
SENIOR ADVISOR TO THE DEPARTMENT OF COMMERCE
FOR PUERTO RICO

SUBJECT: Transmittal of Puerto Rico Working Group Names

The President is about to send the names of the members of the Working Group being formed to develop and coordinate policies and activities relating to Puerto Rico to leaders of the islands and the congressional committees with jurisdiction over Puerto Rico.

The text of the President's letter and the list it covers will also be faxed to you since you have been asked to serve on the Working Group, which we co-chair.

The information will subsequently be given to reporters in Puerto Rico and in communities in the States with large number of Puerto Ricans.

You may then get questions from the islands or elsewhere about the Working Group or your views on the difficult issues that Puerto Rico raises.

Because of the complexity and sensitivity of Puerto Rico matters, you may want to refer policy questions to the Working Group office (482-0037) or check with it on them.

DRAFTBackground Regarding
The Interagency Working Group on Puerto Rico

● Earlier this year, President Clinton decided that a group of senior White House and departmental officials should be organized to develop and coordinate policy and activities related to the Commonwealth of Puerto Rico.

● The decision was triggered by a need to constructively respond to a plebiscite in the islands late last year on their future political status.

- The President has long been committed to support a status choice by the people of Puerto Rico. A package of greater powers and benefits under the current status arrangement -- commonwealth -- won the vote by a plurality (edging out a statehood option and overwhelming an independence plan.) The package included:

- * a mutually-agreed upon relationship that requires mutual consent for changes;
- * job-creating revisions in the Federal tax incentive for U.S. corporate activity in insular areas;
- * extending the Supplemental Security Income program;
- * Food Stamps-level funding of the special food program for Puerto Rico's needy; and
- * tariff protection for local agricultural products.

● There was also a need for a better mechanism within the Executive Branch to handle Puerto Rico matters in general.

- Under longstanding policy, the President's Office has a direct responsibility (assigned to the Intergovernmental Affairs Office) for issues arising from the islands' status arrangement. The programmatic aspects of the issues also, however, involve the jurisdiction of most agencies. Further, the issues are inter-related and are often distinct, fundamental, complicated, and controversial.

- There has been no special structure, though, for linking all pertinent offices to address Puerto Rico issues in context. And the islands do not have the participation

-2-

that a State has in the Federal decision-making process to ensure appropriate policy.

- The consequences have included some actions that are inconsistent with others or actions that are unconscious in their impact upon Puerto Rico as well as unresolved policy questions. The President has been handicapped in his efforts to consider the islands' situation and needs in consultation with its leaders as well as in working with the Congress on Puerto Rico matters.
- The importance of the issues were a third factor in the President's decision to improve the process for handling them within the Administration.
 - The issues include extremely serious economic and social problems as well as basic questions.
 - They are of concern to many of the 2.7 million Puerto Ricans who reside in the states in addition to the 3.6 million inhabitants of the islands (who are also U.S. Citizens). They impact a number of U.S. communities and involve other significant interests and considerations.
- The Interagency Working Group on Puerto Rico furnishes a means for a greater focus on the islands' issues.
 - It is made up of senior Executive Office of the President and agency officials and is co-chaired by White House Intergovernmental Affairs Director Marcia Hale and Commerce Department Senior Advisor for Puerto Rico Jeffrey Farrow.
 - It will assist the President by providing guidance and serving as a point of liaison on the range of matters concerning Puerto Rico. The agenda includes questions raised by the plebiscite as well as other issues.
 - The President wants to place an emphasis on measures that will facilitate Puerto Rico's further economic development in addition to addressing social and other programs matters and relationship questions.

[11] From: Debbie Subera at ~IOS 10/4/94 2:58PM (574 bytes: 13 ln)
Priority: Urgent

To: Edward B. Cohen

Receipt Requested

cc: Tim Elliott at ~ISOL

Subject: Interagency Meeting Participants

----- Message Contents -----

Confirmed participation in tomorrow's meeting:

Herman Marcuse, DOJ
Consuela Pachon, State
Dan Sweeney, Labor
Robin Friedman, DOI
Debbie Subera, DOI

Waiting confirmation:

Jeff Covar, Legal Counsel at State
Joanna London /or representative, INS
John Nay, State/Pacific Island Affairs

INS

Alex Leinhardt 514-2590

DOJ

Sam Waxman 514-4560

State

John Covar 663-1052

9/28

STEVE -

Here's the scoop:

Ed Cohn will be holding an interagency meeting with State, INS and others to come up with administrative positions on CMNI + citizenship for kids of aliens.

You may want to ask him to share the list of the group w/ you to check that the right people go. I don't know that you need to attend.

My goal is to ensure that there is connection between his efforts and regular Administration immigration discussions.

Thanks,
Jeremy

DRAFT**M E M O R A N D U M**

TO: Keith Mason
FROM: Ed Cohen
DATE: September 26, 1994
SUBJ: Governor Tenorio's Request Regarding Citizenship Consultations

=====

Governor Tenorio's September 18, 1994 letter to Marcia Hale renews his request that consultations on the citizenship status of children of aliens born in the CNMI take place in the context of Section 902 of the Covenant rather than through an interagency working group. On June 23, 1994, Marcia initially indicated that an interagency team would be better suited to address those issues. The Governor also asks for confirmation that I would be the President's 902 Representative for those consultations.

As we discussed, the interagency team met and on August 23, 1994, Assistant Secretary Leslie Turner provided the Governor with the team's interpretation of the citizenship provisions of the Covenant. The Governor now appears to accept that interpretation but wants to focus on how to reduce burdens which he believes are imposed on the CNMI caused by the current provisions. The Governor does not indicate the nature of the relief he is seeking, although presumably, it could come either through a change in the Covenant or through changes in other federal or CNMI policies such as those relating to immigration and labor policies. In either event, this would appear to be the type of issue for which the 902 process was created.

For your information, the Governor used his testimony last week before the Senate Energy and Natural Resources Committee to press for consultations on the citizenship issue in the context of the 902 negotiations. Senator Akaka expressed strong support for the Governor's request, and even offered to introduce legislation specifying that children of aliens born in the CNMI would not be accorded U.S. citizenship.

DRAFT

I recommend that the issue be returned to the 902 process. Should Marcia agree, I would convene the interagency task force to develop the Administration's position prior to beginning our discussions (a possibility mentioned in Governor Tenorio's September 18 letter). Involvement of the task force would continue to be important because any position we take on this issue with regard to the CNMI could have implications for Administration policy on the citizenship status of children of aliens born in the 50 states.

For your convenience, I have prepared the attached draft letter responding to Governor Tenorio's letter should this be the course you want to pursue.

cc: Jeremy Ben Ami

DRAFT

Governor Froilan C. Tenorio
Commonwealth of the Northern Mariana Islands
Capitol Hill
Saipan, MP 96950

Dear Governor Tenorio:

I have received your letter dated September 18, 1994 urging that consultations on the citizenship status of children of aliens born in the CNMI take place in the context of Section 902 of the Covenant rather than through an interagency working group. I understand that Assistant Secretary Turner has provided you with the interagency working group's interpretation of the Covenant with regard to this issue and I conclude from your letter that you do not dispute this interpretation.

We are prepared to discuss this issue under the Section 902 process. In addition, I want to confirm, as you requested, that Mr. Edward Cohen has been designated by the President to consult on both the immigration and citizenship issues as well as on the role of the Resident Representative in the United States.

We look forward to fruitful discussions in the weeks ahead.

Sincerely,

THE WHITE HOUSE

WASHINGTON

September 20, 1994

NOTE TO CAROL RASCO

From: Jeremy Ben-Ami 

Subject: Congressional Representation for the Northern Marianas

As I mentioned to you previously, Keith Mason (Intergovernmental), Janet Murguia (Legislative) and I have agreed to advise Ed Cohen, the President's Special Representative to negotiations with the Commonwealth of the Northern Marianas (CNMI) not to endorse giving the CNMI a Congressional delegate at this time. As you requested, the following gives a thumbnail sketch of our reasons and some background on the issue:

- o 1. Congressional Perspective The issue of territorial representation in Congress is touchy. The 1993 Congressional session began with the deal to give the four delegates to Congress the ability to vote in the Committee of the Whole. This move by the Democratic leadership was taken badly by Republicans and set what some consider part of the negative, partisan tone for the remainder of the session. The September before a Congressional election is not the best time for the administration to take a position on this issue. No one on the Hill wants us to touch it right now.
- o 2. Problems in the CNMI The CNMI is coming under a lot of pressure to improve their human rights and labor conditions. I've attached a copy of a recent Washington Post article on the topic. Until the CNMI have addressed these issues, many on the Hill are not prepared to reward them with a delegate.
- o 3. Is the CNMI too small for a Delegate? The CNMI has a population of 65,000, only 23,000 of whom are U.S. citizens, less than any other U.S. territory. Congressional districts have 500,000 to 600,000 residents. Some in Congress believe the CNMI is too small to warrant a delegate. One option you should be aware of is a proposal that the CNMI share a delegate with Guam, which has representation, five times the population, and from which it was separated after the Spanish-American War. However, both Guam and CNMI have reason to oppose this arrangement.

U.S. Pacific Paradise Is Hell For Some Foreign Workers

Filipinos Report Beatings, Rapes, Lockups

By William Branigin
Washington Post Foreign Service

ROTA, Northern Marianas—For most visitors, this tiny U.S. island is an idyllic place of flowering flame trees, turquoise waters and hofney cordiality where motorists routinely wave to each other. Natives like to call it "the Friendly Island."

But for many foreign workers over the last several years, a little slice of paradise in the Pacific has become an outpost of tropical hell under the American flag—a place where labor and human rights are routinely violated by islanders who are U.S. citizens.

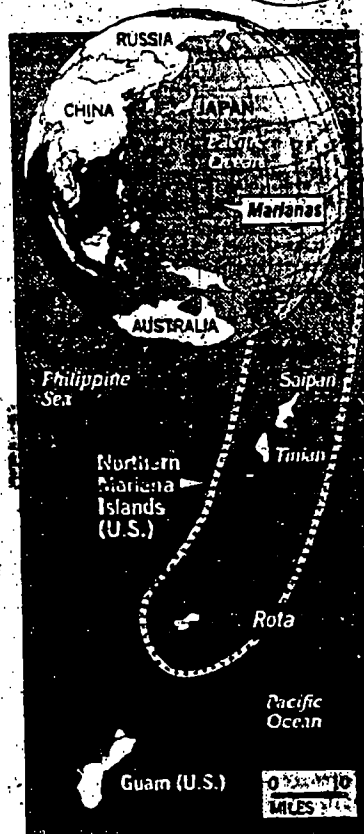
According to U.S. officials, human rights advocates, church sources and victims of alleged abuses, the exploitation of guest workers, most of

them from the Philippines, has become practically a way of life for indigenous employers on Rota, which belongs to the U.S.-affiliated Commonwealth of the Northern Mariana Islands. The commonwealth is a chain of formerly Japanese-ruled islands captured by the United States in World War II.

Waitresses have been forced into prostitution and locked up during their free time, the sources say. Housemaids have been beaten and raped. Farm laborers have been treated as virtual slaves. Construction workers have been abandoned without pay. And foreign employees of all categories have been routinely cheated of their wages.

Those who complain often have been threatened or deported. In

See ROTA, A18, Col 1



BY LARRY FOGEL—THE WASHINGTON POST

ROTA, From A1

many cases, employers have been allowed to repeat the abuses by simply bringing in replacement workers.

Among the recent victims are two Philippine women who came here to work in a restaurant but were forced to become nude dancers and prostitutes. In another case, a Philippine maid said she was kidnapped, beaten and raped by her employer and had to leave the island to get medical treatment and file a complaint. No criminal charges have been filed in either case.

Their stories are among dozens of cases of physical mistreatment, sexual abuse and labor violations described in interviews, human rights reports and workers' affidavits submitted to U.S. and Philippine authorities. Many other workers have been afraid to complain, residents say.

"It's a small island where everyone knows everyone else," said commonwealth Gov. Froilan Tenorio, a reformist who took office in January. "They seem to cover up allegations against one of their own."

In a review of labor complaints on Rota, a commonwealth panel "has found that in case after case, labor law and regulations were violated to the benefit of employers of alien workers," the governor's office said Aug. 16. It noted that there were also more serious complaints . . . of physical and mental abuse as well as sexual harassment and assault."

A recent report by a Roman Catholic church organization cited a "human rights crisis" on the island against a background of "racist and foreign workers and 'extreme dysfunction' in the commonwealth society generally.

"Abuse is so common here that it appears that it has become a normal and accepted practice," American schoolteacher Wendy Doromal wrote in an independent report. "Few, if any, abusers are ever punished . . . and so the abuse continues to grow and grow and grow."

For trying to help workers caught in conditions that she said sometimes amount to slavery, Doromal, her Philippine husband and their family have become targets of death threats, vandalism and vilification. Fearing for their safety, they have decided to leave Rota after eight years here.

Rota's top local official, Mayor Joseph Inos, called the criticism "overblown." Rapes are "bound to happen in any society," he said, and forced prostitution "is not rampant on Rota; it happens everywhere."

Labor and human rights violations have been reported on other islands in the Northern Marianas, notably Saipan and Tinian, but church and social workers say they are particularly acute on Rota. Although most U.S. laws apply in the commonwealth, Rota seems to have slipped largely through the cracks of the federal justice system, whose laws often are not enforced here.

In attempting to pursue some abuse complaints on the islands, federal authorities have regularly encountered challenges to their jurisdiction, hostility from tight-knit local communities and witnesses too intimidated to testify. "It's like trying to do a civil rights action in the old Deep South," said Mikel Schwab, an assistant U.S. attorney on neighboring Guam.



COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS

FROILAN C. TENORIO
Governor

JESUS C. BORJA
Lt. Governor

6 SEP 1994

Capitol Hill
Saipan, MP 96950
Telephone: (670) 322-5091-3
Fax: (670) 322-5096

A handwritten signature in dark ink, appearing to read "Keith", is written over a horizontal line.

Ms. Marcia L. Hale
Assistant to the President for
Intergovernmental Affairs
The White House
Washington, DC 20500

Dear Ms. Hale:

This is in response to your June 23 letter and the follow-up letter dated August 23, 1994, from Leslie M. Turner, Assistant Secretary of the Interior for Territorial and International Affairs. Your letter suggested that my request for consultations pursuant to Section 902 of the Covenant regarding citizenship issues be referred to a federal inter-agency team. Assistant Secretary Turner's letter addressed the substance of the issue and informed me that the team had concluded that the Covenant required that American citizenship be extended to all persons born in the Commonwealth except "children of persons enjoying extraterritorial status, such as accredited diplomats."

This interpretation, and its negative effect on our indigenous population and our economy, are exactly the reasons I requested the appointment of special representatives. It is not the end of the matter; it is the beginning. What we are looking for are recommendations on how to solve the problems that this interpretation is causing.

I should like to renew my request that this issue be handled by consultation under Section 902. If the President's special representative desires the support of an inter-agency team for such purposes, that is his prerogative, and we will cooperate in every way.

I would very much appreciate your confirmation that the President has selected Mr. Cohen as his special representative to consult on immigration and citizenship issues as well as on the role of the Resident Representative to the United States. We would like to begin consultations on both matters at the earliest possible date.

Sincerely,

A handwritten signature in dark ink, appearing to read "Froilan C. Tenorio", is written above the printed name.

FROILAN C. TENORIO

THE WHITE HOUSE
WASHINGTON

July 1, 1994

The Honorable Froilan C. Tenorio
Governor of the Commonwealth
of the Northern Mariana Islands
Saipan, MP 96950

Dear Governor Tenorio:

Thank you for your request for the designation
of a Special Representative to consult on matters
affecting the relationship between the United States
and the Commonwealth of the Northern Mariana Islands.

Pursuant to Section 902 of the Covenant to Establish
the Commonwealth of the Northern Mariana Islands
in Political Union with the United States, I have
designated Mr. Edward B. Cohen, Special Assistant
and Counselor to the Secretary of the Interior, as
my Special Representative.

I look forward to continuing the close relationship
between the Commonwealth and the United States.

Sincerely,

Bill Clinton



United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, D.C. 20240

MEMORANDUM

Via Facsimile: 456-2604

TO: Janet Murguia
FROM: Ed Cohen
DATE: September 16, 1994
SUBJ: Contacts on the CNMI/Representation Issue

=====

During July and August (before the most recent Washington Post story on the labor/immigration irregularities in the CNMI), I spoke with the following regarding the representation issue:

Mike O'Neil - (Speaker's staff)

Jeff Farrow and Lori Sonken - House Natural Resources Committee (Majority)

Manase Mansur - House Natural Resources Committee (Minority)

Ben Cooper, Mike Harvey, Dionne Thompson - Senate Energy and Natural Resources (Majority)

Jim Beirne - Senate Energy and Natural Resources (Minority)

Laura Hudson - Senator Johnston (Legislative Director)

In addition, I am attaching a memo that I prepared for Keith Mason and Jeremy Ben-Ami which you may have already seen on this issue.

Thanks for your guidance on this.

cc: Jeremy Ben-Ami

Jeremy -
you may
want to
add this to
info. on
territories

distribute to ^{DPC} Prog
Staff w/ note we
need to cooperate
fully w/ Inter-Agency
Working Group

THE WHITE HOUSE
WASHINGTON

March 9, 1994

The Honorable Ron de Lugo
Chairman
Subcommittee on Insular
and International Affairs
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

This is to reiterate what I said in our discussion earlier today concerning the actions that the Federal Government should take following the plebiscite that the Commonwealth of Puerto Rico conducted last November on political status proposals made by the islands' three principal political parties. I have conveyed the same points to Resident Commissioner Carlos Romero-Barceló, Governor Pedro Rosselló, and Popular Democratic Party of Puerto Rico President Miguel Hernández-Agosto.

President Clinton has been committed to strongly support the will of the people of Puerto Rico regarding their islands' status, whether they decide to change it or want to make the present relationship work better for them. He is also very concerned about the health of the economy of Puerto Rico and dedicated to helping Puerto Ricans meet their pressing needs and overcome the serious problems they face.

The importance of the United States responding to the wishes that these citizens expressed highlights the need for us to examine and seek to form policy in light of the plebiscite.

The President has, therefore, directed the organization of an Inter-Agency Working Group on Puerto Rico. It is my understanding that Jeffrey L. Farrow, Staff Director of the Subcommittee, has agreed to join the Department of Commerce. Among his other responsibilities, Jeffrey will serve with me as Co-Chair of the Inter-Agency Working Group. We will coordinate the development and review of policy with senior officials of the relevant departments and agencies as well as with other staff in The White House and the Executive Office of the President.

A primary task will be to construct positions on economic and other proposals from the plebiscite; but the working group will also provide guidance and serve as a liaison on other economic issues and other matters related to Puerto Rico. Because the Commonwealth's economic situation is such a major factor in the issues, measures to improve it will be a priority along with equitable treatment in programs and status matters.

The working group will assist the President in fulfilling his pledge to consider the islands' situation in consultation with its leaders as policy that would substantially affect it is made and carried out. It will, additionally, provide a better means of working with Congress on Puerto Rican questions.

Finally, this new policy process will not replace the responsibilities of any other part of the Executive Branch. It will, instead, fill in a gap in the existing structure that you and others in the Congress have asked the Administration to fill.

We should be able to assemble the working group and be prepared to report further to the Subcommittee in about ninety days. In light of this, we believe it would not be productive for an Administration witness to testify at this time. We look forward to discussing with you appropriate Administration testimony as the working group makes progress.

In concluding, let me note that we look forward to working with you and others on the issues raised by the plebiscite and other matters of importance to the people of Puerto Rico.

Sincerely,



Marcia L. Hale
Assistant to the President and
Director of Intergovernmental Affairs

cc: The Honorable Carlos A. Romero-Barceló
The Honorable Pedro Rosselló
The Honorable Miguel Hernández-Agosto

Committee on Natural Resources**News**

George Miller, CHAIRMAN
U.S. House of Representatives
Washington, D.C. 20515

RELEASE: March 9, 1994**CONTACT: Cynthia Rivera
(202) 225-9297****De Lugo Releases Clinton Puerto Rico Policy Initiative Letter**

U.S. House of Representatives Insular and International Affairs Subcommittee Chairman Ron de Lugo (D-VI) has released the attached letter that he received this evening from Marcia L. Hale, Assistant to President Clinton and Director of the White House Office of Intergovernmental Affairs.

In releasing the letter, de Lugo made the following statement:

"The President is to be commended for recognizing that there needs to be a working group here in Washington whose main function is to become knowledgeable about the needs and complexities of Puerto Rico and to assist him in developing policy that meets the needs of the people of the island. This is what has been missing in this town.

"Too many administrations in the past have tried to wing it on Puerto Rico. President Clinton recognizes that the issues of Puerto Rico are far too complex for that approach. I think the President's approach is in the best interests both of the United States and Puerto Rico."

De Lugo also said that the Subcommittee's first hearing on how the Federal Government should respond to the results of the political status plebiscite held in Puerto Rico last year -- now scheduled for this Friday, March 11th -- would be postponed in light of the President's action.

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- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

MAR 10 '94 14:21 FROM HOUSE NAT. RES. COMM. TO OMB

PAGE.003/004

THE WHITE HOUSE
WASHINGTON

March 9, 1994

MAR 21 REC'D

(b)(6)
The Honorable Ron de Luco
Chairman
Subcommittee on Insular
and International Affairs
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

This is to reiterate what I said in our discussion earlier today concerning the actions that the Federal Government should take following the plebiscite that the Commonwealth of Puerto Rico conducted last November on political status proposals made by the islands' three principal political parties. I have conveyed the same points to Resident Commissioner Carlos Romero-Barceló, Governor Pedro Rosselló, and Popular Democratic Party of Puerto Rico President Miguel Hernández-Aguata.

President Clinton has been committed to strongly support the will of the people of Puerto Rico regarding their islands' status, whether they decide to change it or want to make the present relationship work better for them. He is also very concerned about the health of the economy of Puerto Rico and dedicated to helping Puerto Ricans meet their pressing needs and overcome the serious problems they face.

The importance of the United States responding to the wishes that these citizens expressed highlights the need for us to examine and seek to form policy in light of the plebiscite.

The President has, therefore, directed the organization of an Inter-Agency Working Group on Puerto Rico. It is my understanding that Jeffrey L. Farrow, Staff Director of the Subcommittee, has agreed to join the Department of Commerce. Among his other responsibilities, Jeffrey will serve with me as Co-Chair of the Inter-Agency Working Group. We will coordinate the development and review of policy with senior officials of the relevant departments and agencies as well as with other staff in The White House and the Executive Office of the President.

CLINTON LIBRARY PHOTOCOPY

Page 2

A primary task will be to construct positions on economic and other proposals from the plebiscite; but the working group will also provide guidance and serve as a liaison on other economic issues and other matters related to Puerto Rico. Because the Commonwealth's economic situation is such a major factor in the issues, measures to improve it will be a priority along with equitable treatment in programs and status matters.

The working group will assist the President in fulfilling his pledge to consider the island's situation in consultation with its leaders as policy that would substantially affect it is made and carried out. It will, additionally, provide a better means of working with Congress on Puerto Rican questions.

Finally, this new policy process will not replace the responsibilities of any other part of the Executive Branch. It will, instead, fill in a gap in the existing structure that you and others in the Congress have asked the Administration to fill.

We should be able to assemble the working group and be prepared to report further to the Subcommittee in about ninety days. In light of this, we believe it would not be productive for an Administration witness to testify at this time. We look forward to discussing with you appropriate Administration testimony as the working group makes progress.

In concluding, let me note that we look forward to working with you and others on the issues raised by the plebiscite and other matters of importance to the people of Puerto Rico.

Sincerely,



Marcia L. Hale
Assistant to the President and
Director of Intergovernmental Affairs

cc: The Honorable Carlos A. Romero-Barceló
The Honorable Pedro Rosselló
The Honorable Miguel Hernández-Agostó

News

Committee on Natural Resources

George Miller, CHAIRMAN
U.S. House of Representatives
Washington, D.C. 20515

RELEASE: March 9, 1994

CONTACT: Cynthia Rivera
(202) 225-9297

De Lugo Releases Clinton Puerto Rico Policy Initiative Letter

U.S. House of Representatives Insular and International Affairs Subcommittee Chairman Ron de Lugo (D-VI) has released the attached letter that he received this evening from Marcia L. Hale, Assistant to President Clinton and Director of the White House Office of Intergovernmental Affairs.

In releasing the letter, de Lugo made the following statement:

"The President is to be commended for recognizing that there needs to be a working group here in Washington whose main function is to become knowledgeable about the needs and complexities of Puerto Rico and to assist him in developing policy that meets the needs of the people of the island. This is what has been missing in this town.

"Too many administrations in the past have tried to wing it on Puerto Rico. President Clinton recognizes that the issues of Puerto Rico are far too complex for that approach. I think the President's approach is in the best interests both of the United States and Puerto Rico."

De Lugo also said that the Subcommittee's first hearing on how the Federal Government should respond to the results of the political status plebiscite held in Puerto Rico last year -- now scheduled for this Friday, March 11th -- would be postponed in light of the President's action.

August 29

~~Confidential~~

Note for Keith Mason

From Jeff Farrow

Re: Northern Marianas Delegate

2013-0854-S
DETERMINED TO BE AN
ADMINISTRATIVE MARKING
INITIALS: MM DATE: 8/15/13

George Will said that Democrats began this Congress in an manipulatively partisan way by authorizing the Delegates from the territories and D.C. and the Resident Commissioner to vote in the House's Committees of the Whole on "This Week with David Brinkley" yesterday.

He was wrong about the facts. (Republicans weren't so opposed in the last Congress, when one of the Delegates was a Republican. What really happened was that they substituted the issue for other Rules complaints. The vote provided greater representation for 4.5 million U.S. Citizens.)

But the symbolism the issue has taken on suggests it would be very bad timing, indeed, to propose adding another Delegate...even if there's a good chance a Republican would be elected. And the situation would be worse in a House in which there are many more Republicans than at present; the Delegate vote in Committees of the Whole -- which some Democrats also didn't support -- could be jeopardized.

Today's front page Post story -- "U.S. Pacific Paradise is Hell for Some Foreign Workers" concerning sexual exploitation by local residents -- raises another of the problems that a Marianas Delegate proposal would raise.

Finally, you know that I note all this as one who personally thinks the Northern Mariana Islands should be able to have a Delegate.

Copy
To: Jeremy Ben-Ari
Susan Bruford
Keith

THE WHITE HOUSE
WASHINGTON

August 15, 1994

MEMORANDUM

TO: Susan Brophy, Deputy Assistant to the President for
Legislative Affairs

FROM: Keith Mason, Deputy Assistant to the President and
Deputy Director of Intergovernmental Affairs

It is anticipated by Edward B. Cohen, the President's Section 902 Representative to the Northern Mariana Islands, that the issue of whether the Commonwealth of Northern Mariana Islands should have a delegate to Congress similar to other insular territories will arise in discussions with the Governor.

In order to provide proper guidance to Mr. Cohen, it would be helpful to ascertain your office's thoughts on this issue. Attached is a briefing memorandum on this issue for your review.

Please review and share this information with Pat Griffin and advise me accordingly. Thank you.

cc: Marcia Hale
Jeremy Ben-Ami

Attachment

OFFICE OF
THE SECRETARY OF THE INTERIOR

Jeremy -

Here in the background
news I promised. Let's
talk in early September.

Ed



United States Department of the Interior

OFFICE OF THE SECRETARY

Washington, D.C. 20240

MEMORANDUM

August 12, 1994

To: Keith Mason
Jeremy Ben-Ami

From: Edward B. Cohen
President Clinton's 902 Representative to the
Northern Mariana Islands

Subject: Representation in Congress for the Commonwealth of the Northern
Mariana Islands

On January 22, 1994, Governor Froilan Tenorio of the Commonwealth of the Northern Mariana Islands (CNMI) requested that President Clinton appoint a Special Representative "to clarify the role of our Resident Representative to the United States in our relationship with the Federal Government." In doing so, the Governor invoked the provisions of Section 902 of the Covenant¹ under which representatives of the President and the Governor consult on all matters affecting the relationship between their governments. It is likely that in the course of these discussions, the issue of whether the CNMI should have a delegate to Congress similar to that of Guam, American Samoa, Puerto Rico and the Virgin Islands will also arise.

A. Background

Section 901 of the Covenant authorizes the CNMI to elect a Resident Representative to the United States who is entitled to receive official recognition by all federal agencies. However, the Representative is not a delegate to Congress. His office is not located on Capitol Hill and he has no privileges or status in Congress. As a result, the CNMI is the only area of the American political family which is unrepresented in Congress, notwithstanding the fact that under the Covenant, many citizens of the Northern Marianas became U.S. citizens.

¹Covenant to establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America.

There apparently was no significant effort made to provide for a CNMI delegate when the Covenant was negotiated in 1975. Both Senator Johnston and Congressman Burton hoped that CNMI ultimately would be reunited with Guam, from which it was separated after the Spanish American War (Guam was acquired by the United States while the Northern Marianas were purchased by Germany). Moreover, in 1975, American Samoa had not yet attained delegate status and it was felt that the CNMI should not have a delegate before the larger American Samoa territory.²

B. View from the CNMI

Governor Tenorio previously served as Resident Representative and was frustrated during his tenure in that position. He is viewed as a strict constructionist of the Covenant and believes that the Resident Representative should be the sole point of contact between the CNMI and the federal government, much like an Ambassador of a sovereign nation. In contrast, he believes he was largely ignored. I presume his objective in designating this issue for discussion under the 902 process is to clarify that role. While for many years he opposed a CNMI delegate to Congress because it would undermine the authority of the Resident Representative and compromise the "independence" of the CNMI, I understand that he now is willing to support a delegate as long as it would not alter the CNMI/federal government relationship as reflected in the Covenant.

The predominant view in the CNMI is support for a delegate. The current Resident Representative, Juan Babauta -- a Republican and likely challenger to Governor Tenorio -- has been vigorous in his support of a delegate. Similarly, the CNMI legislature has adopted a Joint Resolution in support of an elected non-voting delegate.

C. Options for Administrative Position

Under the 902 process, I am to report and make recommendations to the President on the issues that are discussed with Governor Tenorio's representatives. There are at least three different approaches that can be taken with regard to this issue.

(1) Do Not Recommend A Delegate At This Time. The CNMI has a total population of 65,000, 65 percent of whom are aliens -- only 23,000 are U.S. citizens. American Samoa, which has a delegate, has an indigenous population of 55,000 and had 30,000 - 35,000 when it received delegate status in 1978. Members of Congress represent 500,000 - 600,000 constituents. Congressman Miller's staff tend to believe that the CNMI is too small for a delegate.

This also would not be an opportune time for the CNMI to seek a delegate. The Speaker's office points out that just last year, the House endured a brutal, highly partisan battle over the voting status of the current delegates. Wounds from that issue have not healed and a CNMI delegate fight would only reopen the battle. Similarly, the CNMI is viewed by some U.S. officials as the "bad boy" of the territories, with controversies regarding immigration,

²Pub. L.95-556 granted representation to American Samoa in 1978.

taxation and labor policies the likely subject of oversight hearings this fall. A delegate fight at this time would only focus further attention on the CNMI's problems.

As an alternative to endorsing a delegate, we could consider specific recommendations the Governor may have to enhance the stature of the Resident Representative without altering the fundamental relationship between the CNMI and the federal government.

(2) Endorse A CNMI Delegate: As noted, citizens of the CNMI are the only Americans not represented in Congress. Indeed, most Residents of American Samoa are U.S. Nationals, not U.S. Citizens, and yet they have a delegate. For reasons described below, a voluntary reunification of the CNMI and Guam is unlikely in the near term. In fact, Delegate Underwood of Guam has introduced legislation to give CNMI its own delegate.

Delegate status in the House can be achieved either by statute or by House rule. Thus, while some in the Senate support giving the CNMI a delegate, they typically defer to the House.

Delegate status could be used as a carrot for the CNMI to alter its immigration, tax and labor policies. Governor Tenorio tends to be reform-minded, although it is unclear how he would respond to this type of effort. It could be posed positively [i.e., the Administration will support a delegate as progress towards reform is made] or negatively [i.e., no support until reform].

(3) Support One Delegate for Guam and CNMI.

Because Guam's voting population exceeds CNMI's by a 5-1 margin, the creation of a single delegate for Guam and CNMI would forever place the latter in a minority status. Moreover, while the Northern Mariana Islands were once a part of Guam and even voted for reunification in the 1970's, there are many who would view this as a dilution of their identity as a Commonwealth, and erode their concept of CNMI "independence." Thus, this approach would likely be opposed.

For its part, the Guamanians opposed reunification in the 1970's and have been jealous of what they view as a more advantageous CNMI relationship with the federal government. As noted, Delegate Underwood of Guam has supported a separate CNMI delegate. It is likely that Guamanians would not support sharing their delegate with the CNMI.

Nonetheless, this option achieves the objective of giving the CNMI representation in Congress while avoiding the population issue and the more general issue of the voting status of territorial delegates.

* * * * *

I hope this background is helpful. I am currently planning to meet with Governor Tenorio's representatives in Saipan on September 20-22, 1994. I will call in early September to schedule a meeting to talk further about the Administration's position on the delegate issue. In the meantime, please let me know if you have any questions about this issue.

TERRITORIES BRIEFING : Jeff Farra

7/21/94

Guam - 30% owned by ~~Guam~~ military. pop. 140,000

- 6% used
- plans for 12%
- very critical to U.S. Pacific defense
- never acquired unfairly by military.
- never used
- major irritant
- land valuable.
- 3 1/2 hrs from Tokyo 212 sq. miles.
- DELEGATE: Underwood - Freshman - good guy
- Mike Heyman is Babbitt's guy (Congress) - leaves in Sept.
- Mutual Consent - strong lang from Babbitt and Heyman on the issue.
- Territories have pol. made by fed govt. Nothing in Constitution suggests that there cld be a mutual consent pol making process.
- Some lawyers say that since you can give up all power - so you can give some up.

Ultimate direction: independence. Outside federal system.

- Contrast to Puerto Rico

Indigenous people administered by foreign born - They want to keep power. Chamorros want more of a vote than others.

Marshall / Micronesia / Palau - islands taken from Japan

- They are sovereign countries, but we provide for their security / benefits.
- They see unchecked entry into US territory
- Leads to immigration to Guam / Marianas.
- We promised \$ but they haven't been forthcoming

↓
There is great frustration with Interior - led to call for abolition of OTIA.

Marianas

- no rep in House
- basically elected rep is a lobbyist
- * Ed Cunn: Pres rep to N. Marianas.
- islanders want their rep to be a delegate
 - case is good
 - problem: powers of de's have been expanded.
- Reps make an issue.
- Origin of issue comes from potential for unification betw Guam and Marianas.
- * Can we have one now pay fed taxes at same rate: Marianas covenant allows resale.
Purpose: Attracts business. They receive 95% of income tax and depend on fed. approx.
- 20-25,000 people of Marianas
- equal # of foreign workers.

- bringing in Chinese sweat workers - paid at 1/2 min wage - enter US duty free.
- Gov. is a Dem.
- strict constructionist.
- 30 member legislature.

American Samoa - 50,000 pop.

- terr. has high in cultural identity
- US committed to
 - respect land laws of Samoa: communal ownership.
 - respect power of chiefs.
- They have been insulated from political, legal challenge.
- Economic: 1/3 govt; 1/3 tax revenue;
- Except for min wage.
- pt of a larger group: Western Samoa independent country. Am Samoa is a welfare state filled w/ welfare abuse. Gov't budget of A. Samoa same as W. Samoa - for 1/3 pop.
- Big issue: For right - how spending US tax \$.

Virgin Islands (Gov. Freeman)

- next to P.R. / min interest in political status b/c they look at situ. in P.R.
- rel. wealthy
- based on crime. Rates 2-3 times nat'l avg.
- 100-120,000 pop.
- 35% people are VIers of long standing
- 15% from states.
- very diff from P.R.

- racial tension, drugs trafficked.
- corrupt, densely populated.
- lots of people w/ cards - b/c many people have some connection to it.
- biggest issue: crime.
- no pros w/ crime bill (the PR has probs)
- election this year.

OTA

Used to be a significant players when Philippines, Hawaii, Alaska, the West were territories - appointed by Gov.

Lost that function. What is it now?

- no provided TA! \$7-15M to do a few minimal things. Some more. \$ flow thru the office.

Consensus emerged that it's not needed - shd be replaced by interagency org'n. House wants WH led - Senate wants Interior led.

Babbitt offered DAS to Johnston staff person: Al Stamm. not close to L. Turner.

Terr objected to Int leadership b/c of history. Didn't want OTI interference w/ rel's to other agencies. Didn't like as a WG of DPC. Wanted full access to WH and Dept not to go thru Interior.

8/2/94 - NMariana 15

- Ed Cohen

- Keith Mason

One issue on the table: NMI representation in Congress

- other territories have Delegates.
- Some dissenters in MI feel it ties us even closer to US.
- too small for a delegate: why not let Guam cover you
- we're not a part of them.

(D) Governor wld support Delegate reluctantly: All
contact shd be thru elected rep (which is what
he was before).

On the Hill: taxes issue: they currently rebate 95%
of taxes - current talk is to change to a
90-70-50 local rebate.

Check with Speaker's office

Governor wants Spec Rep to deal only with his rep.

Memo by mid - Sept w/ historical context
Gov wants ambassador - but they're not a foreign
country.

The White House
Washington

FAX COVER SHEET

OFFICE OF DOMESTIC POLICY

Kathryn Way
Special Assistant to the President

Cookie Walden
Staff Assistant

Old Executive Office Building, Room 218
Washington, DC 20500
Phone: (202) 456-7777 FAX: (202) 456-7028

TO: The Honorable Carlos Romero-Barcelo

FAX No. 225-2154

FROM: Donsia Strong

DATE: 10/27/93

NUMBER OF PAGES (Including cover sheet) 2

COMMENTS:

THE WHITE HOUSE
WASHINGTON

October 27, 1993

The Honorable Carlos Romero-Barcelo
House of Representatives
Washington, DC

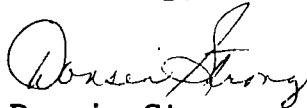
Dear Mr. Romero-Barcelo

The White House is sponsoring a meeting for principals on Friday, October 29, 1993, at 10:00 a.m., in room 472 of the Old Executive Office Building, to discuss establishment of an insular areas interagency council.

We value your ideas with regard to the insular areas and would appreciate your contributing to the discussion on Friday.

If you plan to attend the meeting, please inform Ms. Cookie Walden, Domestic Policy staff, at 202-456-7777 or fax 202-456-7028. She will need to know your birthday to arrange for admittance.

Sincerely,

A handwritten signature in cursive script, appearing to read "Donsia Strong".

Donsia Strong
Senior Policy Analyst

The White House
Washington

FAX COVER SHEET

OFFICE OF DOMESTIC POLICY

Kathryn Way
Special Assistant to the President

Cookie Walden
Staff Assistant

Old Executive Office Building, Room 218
Washington, DC 20500
Phone: (202) 456-7777 FAX: (202) 456-7028

TO: The Honorable George Miller

FAX No. 202-225-5609

FROM: Donsia Strong

DATE: 10/27/93

NUMBER OF PAGES (Including cover sheet) 2

COMMENTS: