

29. (RENEWAL OF STIPULATION BETWEEN THE ATTORNEY GENERAL OF THE UNITED STATES AND THE ATTORNEY GENERAL OF CALIFORNIA IN RE TIDELANDS CONTROVERSY, UNITED STATES VS. CALIFORNIA - W.O. 721.)

On October 27, 1953, the Commission was furnished with a copy of the draft of a stipulation proposed by the Attorney General of the United States, which modified in some degree that presented to the Attorney General of the United States by Chief Deputy State Attorney General William V. O'Connor on September 22, 1953.

The Commission's action with respect to the stipulation at that meeting was as follows:

"UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, IT WAS RESOLVED AS FOLLOWS:

"The Commission concurs with the execution of the stipulation by the Attorney General, substantially in the form which follows, relating to oil and gas operations on coastal tide and submerged lands to be effective October 1, 1953."

Subsequent to the meeting of October 27, 1953, discussions were held with the Office of the Attorney General of California and with representatives of a major number of the State's lessees. The attorney for those lessees filed a letter of objection, dated November 5, 1953, to the draft of the stipulation previously presented to the Commission. Subsequent review of the points raised by the State's lessees resulted in a change of position taken by the Attorney General of the State. This was discussed at some length at the current meeting of the State Lands Commission by Mr. Frank Mackin, Assistant Attorney General, and Mr. Leonard M. Friedman, Deputy Attorney General. Their views might be summarized as follows:

- (a) That the execution of any stipulation might lead to an inference that Public Law 31, signed by the President on May 22, 1953, was unconstitutional, and the provisions thereof were not applicable to the continuation of operations on California's tide and submerged lands, nor were they such as to permit the release of funds impounded with the United States nor the use of those funds impounded in the Treasury of the State;
- (b) If any doubt exists as to the responsibility of the Controller of the State of California, either as to the impounding of funds or the investment of those funds in interest-bearing securities, those doubts could be removed through remedial legislation which could be appropriately presented to and acted upon by the State Legislature at the Budget Session scheduled for March 1, 1954.

Discussion was had as to action previously taken with reference to the return to the State by the United States of funds impounded in the Treasury of the United States under the provisions of stipulations in force subsequent to September 30, 1950. It was felt inappropriate to await the outcome of either litigation initiated by the State of Alabama or of other litigation that might occur in the future before the State exhausted whatever recourse it might have under authority of Public Law 31 of May 22, 1953, or otherwise to have returned to the State the funds impounded in the Treasury of the United States.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, IT WAS RESOLVED AS FOLLOWS:

The Commission revokes the action taken by it at the meeting of October 27, 1953 (Pages 1921-24, Item 33); and directs the Executive Officer to request the Attorney General to advise what steps he recommends to facilitate the return of the moneys impounded with the Federal Government.

There being no further business to come before the Commission, the meeting was adjourned.

Rufus W. Putnam
RUFUS W. PUTNAM
Executive Officer