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Public Law 94-241  
94th Congress, H. J. Res. 549  
March 24, 1976

## Joint Resolution

To approve the "Covenant To Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America", and for other purposes.

Whereas the United States is the administering authority of the Trust Territory of the Pacific Islands under the terms of the trusteeship agreement for the former Japanese-mandated islands entered into by the United States with the Security Council of the United Nations on April 2, 1947, and approved by the United States on July 18, 1947; and

48 USC 1681  
note.

Whereas the United States, in accordance with the trusteeship agreement and the Charter of the United Nations, has assumed the obligation to promote the development of the peoples of the trust territory toward self-government or independence as may be appropriate to the particular circumstances of the trust territory and its peoples and the freely expressed wishes of the peoples concerned; and

Whereas the United States, in response to the desires of the people of the Northern Mariana Islands clearly expressed over the past twenty years through public petition and referendum, and in response to its own obligations under the trusteeship agreement to promote self-determination, entered into political status negotiations with representatives of the people of the Northern Mariana Islands; and

Whereas, on February 15, 1975, a "Covenant to Establish A Commonwealth of the Northern Mariana Islands in Political Union with the United States of America" was signed by the Marianas Political Status Commission for the people of the Northern Mariana Islands and by the President's Personal Representative, Ambassador F. Haydn Williams for the United States of America, following which the covenant was approved by the unanimous vote of the Mariana Islands District Legislature on February 20, 1975 and by 78.8 per centum of the people of the Northern Mariana Islands voting in a plebiscite held on June 17, 1975: Now be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America, the text of which is as follows, is hereby approved.*

Covenant to  
Establish a  
Commonwealth  
of the Northern  
Mariana Islands  
in Political  
Union with the  
United States of  
America.  
Congressional  
approval.  
48 USC 1681  
note.

### "COVENANT TO ESTABLISH A COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS IN POLITICAL UNION WITH THE UNITED STATES OF AMERICA

"Whereas, the Charter of the United Nations and the Trusteeship Agreement between the Security Council of the United Nations and the United States of America guarantee to the people of the Northern Mariana Islands the right freely to express their wishes for self-government or independence; and

"Whereas, the United States supports the desire of the people of the Northern Mariana Islands to exercise their inalienable right of self-determination; and

"Whereas, the people of the Northern Mariana Islands and the people of the United States share the goals and values found in the American system of government based upon the principles of government by the consent of the governed, individual freedom and democracy; and

"Whereas, for over twenty years, the people of the Northern Mariana Islands, through public petition and referendum, have clearly expressed their desire for political union with the United States;

"Now, therefore, the Marianas Political Status Commission, being the duly appointed representative of the people of the Northern Mariana Islands, and the Personal Representative of the President of the United States have entered into this Covenant in order to establish a self-governing commonwealth for the Northern Mariana Islands within the American political system and to define the future relationship between the Northern Mariana Islands and the United States. This Covenant will be mutually binding when it is approved by the United States, by the Mariana Islands District Legislature and by the people of the Northern Mariana Islands in a plebiscite, constituting on their part a sovereign act of self-determination.

#### "ARTICLE I

##### "POLITICAL RELATIONSHIP

"SECTION 101. The Northern Mariana Islands upon termination of the Trusteeship Agreement will become a self-governing commonwealth to be known as the 'Commonwealth of the Northern Mariana Islands', in political union with and under the sovereignty of the United States of America.

"SECTION 102. The relations between the Northern Mariana Islands and the United States will be governed by this Covenant which, together with those provisions of the Constitution, treaties and laws of the United States applicable to the Northern Mariana Islands, will be the supreme law of the Northern Mariana Islands.

"SECTION 103. The people of the Northern Mariana Islands will have the right of local self-government and will govern themselves with respect to internal affairs in accordance with a Constitution of their own adoption.

"SECTION 104. The United States will have complete responsibility for and authority with respect to matters relating to foreign affairs and defense affecting the Northern Mariana Islands.

"SECTION 105. The United States may enact legislation in accordance with its constitutional processes which will be applicable to the Northern Mariana Islands, but if such legislation cannot also be made applicable to the several States the Northern Mariana Islands must be specifically named therein for it to become effective in the Northern Mariana Islands. In order to respect the right of self-government guaranteed by this Covenant the United States agrees to limit the exercise of that authority so that the fundamental provisions of this Covenant, namely Articles I, II and III and Sections 501 and 805, may be modified only with the consent of the Government of the United States and the Government of the Northern Mariana Islands.

#### "ARTICLE II

##### "CONSTITUTION OF THE NORTHERN MARIANA ISLANDS

"SECTION 201. The people of the Northern Mariana Islands will formulate and approve a Constitution and may amend their Constitution pursuant to the procedures provided therein.

"SECTION 202. The Constitution will be submitted to the Government of the United States for approval on the basis of its consistency with this Covenant and those provisions of the Constitution, treaties and laws of the United States to be applicable to the Northern Mariana Islands. The Constitution will be deemed to have been approved six months after its submission to the President on behalf of the Government of the United States unless earlier approved or disapproved. If disapproved the Constitution will be returned and will be resubmitted in accordance with this Section. Amendments to the Constitution may be made by the people of the Northern Mariana Islands without approval by the Government of the United States, but the courts established by the Constitution or laws of the United States will be competent to determine whether the Constitution and subsequent amendments thereto are consistent with this Covenant and with those provisions of the Constitution, treaties and laws of the United States applicable to the Northern Mariana Islands.

"SECTION 203. (a) The Constitution will provide for a republican form of government with separate executive, legislative and judicial branches, and will contain a bill of rights.

"(b) The executive power of the Northern Mariana Islands will be vested in a popularly elected Governor and such other officials as the Constitution or laws of the Northern Mariana Islands may provide.

"(c) The legislative power of the Northern Mariana Islands will be vested in a popularly elected legislature and will extend to all rightful subjects of legislation. The Constitution of the Northern Mariana Islands will provide for equal representation for each of the chartered municipalities of the Northern Mariana Islands in one house of a bicameral legislature, notwithstanding other provisions of this Covenant or those provisions of the Constitution or laws of the United States applicable to the Northern Mariana Islands.

"(d) The judicial power of the Northern Mariana Islands will be vested in such courts as the Constitution or laws of the Northern Mariana Islands may provide. The Constitution or laws of the Northern Mariana Islands may vest in such courts jurisdiction over all causes in the Northern Mariana Islands over which any court established by the Constitution or laws of the United States does not have exclusive jurisdiction.

"SECTION 204. All members of the legislature of the Northern Mariana Islands and all officers and employees of the Government of the Northern Mariana Islands will take an oath or affirmation to support this Covenant, those provisions of the Constitution, treaties and laws of the United States applicable to the Northern Mariana Islands, and the Constitution and laws of the Northern Mariana Islands.

#### "ARTICLE III

##### "CITIZENSHIP AND NATIONALITY

"SECTION 301. The following persons and their children under the age of 18 years on the effective date of this Section, who are not citizens or nationals of the United States under any other provision of law, and who on that date do not owe allegiance to any foreign state, are

Submittal  
to U.S.  
for approval.

declared to be citizens of the United States, except as otherwise provided in Section 302:

“(a) all persons born in the Northern Mariana Islands who are citizens of the Trust Territory of the Pacific Islands on the day preceding the effective date of this Section, and who on that date are domiciled in the Northern Mariana Islands or in the United States or any territory or possession thereof;

“(b) all persons who are citizens of the Trust Territory of the Pacific Islands on the day preceding the effective date of this Section, who have been domiciled continuously in the Northern Mariana Islands for at least five years immediately prior to that date, and who, unless under age, registered to vote in elections for the Marianas Islands District Legislature or for any municipal election in the Northern Mariana Islands prior to January 1, 1975; and

“(c) all persons domiciled in the Northern Mariana Islands on the day preceding the effective date of this Section, who, although not citizens of the Trust Territory of the Pacific Islands, on that date have been domiciled continuously in the Northern Mariana Islands beginning prior to January 1, 1974.

“SECTION 302. Any person who becomes a citizen of the United States solely by virtue of the provisions of Section 301 may within six months after the effective date of that Section or within six months after reaching the age of 18 years, whichever date is the later, become a national but not a citizen of the United States by making a declaration under oath before any court established by the Constitution or laws of the United States or any court of record in the Commonwealth in the form as follows:

“I \_\_\_\_\_ being duly sworn, hereby declare my intention to be a national but not a citizen of the United States.”

“SECTION 303. All persons born in the Commonwealth on or after the effective date of this Section and subject to the jurisdiction of the United States will be citizens of the United States at birth.

“SECTION 304. Citizens of the Northern Mariana Islands will be entitled to all privileges and immunities of citizens in the several States of the United States.

“ARTICLE IV

“JUDICIAL AUTHORITY

“SECTION 401. The United States will establish for and within the Northern Mariana Islands a court of record to be known as the ‘District Court for the Northern Mariana Islands’. The Northern Mariana Islands will constitute a part of the same judicial circuit of the United States as Guam.

“SECTION 402. (a) The District Court for the Northern Mariana Islands will have the jurisdiction of a district court of the United States, except that in all causes arising under the Constitution, treaties or laws of the United States it will have jurisdiction regardless of the sum or value of the matter in controversy.

“(b) The District Court will have original jurisdiction in all causes in the Northern Mariana Islands not described in Subsection (a) jurisdiction over which is not vested by the Constitution or laws of the Northern Mariana Islands in a court or courts of the Northern Mariana Islands. In causes brought in the District Court solely on

District Court for the Northern Mariana Islands. Establishment.

the basis of this subsection, the District Court will be considered a court of the Northern Mariana Islands for the purposes of determining the requirements of indictment by grand jury or trial by jury.

“(c) The District Court will have such appellate jurisdiction as the Constitution or laws of the Northern Mariana Islands may provide. When it sits as an appellate court, the District Court will consist of three judges, at least one of whom will be a judge of a court of record of the Northern Mariana Islands.

“SECTION 403. (a) The relations between the courts established by the Constitution or laws of the United States and the courts of the Northern Mariana Islands with respect to appeals, certiorari, removal of causes, the issuance of writs of habeas corpus and other matters or proceedings will be governed by the laws of the United States pertaining to the relations between the courts of the United States and the courts of the several States in such matters and proceedings, except as otherwise provided in this Article; provided that for the first fifteen years following the establishment of an appellate court of the Northern Mariana Islands the United States Court of Appeals for the judicial circuit which includes the Northern Mariana Islands will have jurisdiction of appeals from all final decisions of the highest court of the Northern Mariana Islands from which a decision could be had in all cases involving the Constitution, treaties or laws of the United States, or any authority exercised thereunder, unless those cases are reviewable in the District Court for the Northern Mariana Islands pursuant to Subsection 402(c).

“(b) Those portions of Title 28 of the United States Code which apply to Guam or the District Court of Guam will be applicable to the Northern Mariana Islands or the District Court for the Northern Mariana Islands, respectively, except as otherwise provided in this Article.

“ARTICLE V

“APPLICABILITY OF LAWS

“SECTION 501. (a) To the extent that they are not applicable of their own force, the following provisions of the Constitution of the United States will be applicable within the Northern Mariana Islands as if the Northern Mariana Islands were one of the several States: Article I, Section 9, Clauses 2, 3, and 8; Article I, Section 10, Clauses 1 and 3; Article IV, Section 1 and Section 2, Clauses 1 and 2; Amendments 1 through 9, inclusive; Amendment 13; Amendment 14, Section 1; Amendment 15; Amendment 19; and Amendment 26; provided, however, that neither trial by jury nor indictment by grand jury shall be required in any civil action or criminal prosecution based on local law, except where required by local law. Other provisions of or amendments to the Constitution of the United States, which do not apply of their own force within the Northern Mariana Islands, will be applicable within the Northern Mariana Islands only with approval of the Government of the Northern Mariana Islands and of the Government of the United States.

“(b) The applicability of certain provisions of the Constitution of the United States to the Northern Mariana Islands will be without prejudice to the validity of and the power of the Congress of the United States to consent to Sections 203, 506 and 805 and the proviso in Subsection (a) of this Section.

USC prec. title 1.

“SECTION 502. (a) The following laws of the United States in existence on the effective date of this Section and subsequent amendments to such laws will apply to the Northern Mariana Islands, except as otherwise provided in this Covenant:

42 USC 428, 1381. 42 USC 201 note. 50 USC app. 2018.

“(1) those laws which provide federal services and financial assistance programs and the federal banking laws as they apply to Guam; Section 228 of Title II and Title XVI of the Social Security Act as it applies to the several States; the Public Health Service Act as it applies to the Virgin Islands; and the Micronesian Claims Act as it applies to the Trust Territory of the Pacific Islands;

“(2) those laws not described in paragraph (1) which are applicable to Guam and which are of general application to the several States as they are applicable to the several States; and

“(3) those laws not described in paragraph (1) or (2) which are applicable to the Trust Territory of the Pacific Islands, but not their subsequent amendments unless specifically made applicable to the Northern Mariana Islands, as they apply to the Trust Territory of the Pacific Islands until termination of the Trusteeship Agreement, and will thereafter be inapplicable.

“(b) The laws of the United States regarding coastal shipments and the conditions of employment, including the wages and hours of employees, will apply to the activities of the United States Government and its contractors in the Northern Mariana Islands.

“SECTION 503. The following laws of the United States, presently inapplicable to the Trust Territory of the Pacific Islands, will not apply to the Northern Mariana Islands except in the manner and to the extent made applicable to them by the Congress by law after termination of the Trusteeship Agreement:

“(a) except as otherwise provided in Section 506, the immigration and naturalization laws of the United States;

“(b) except as otherwise provided in Subsection (b) of Section 502, the coastwise laws of the United States and any prohibition in the laws of the United States against foreign vessels landing fish or unfinished fish products in the United States; and

“(c) the minimum wage provisions of Section 6, Act of June 25, 1938, 52 Stat. 1062, as amended.

29 USC 206. Commission on Federal Laws.

“SECTION 504. The President will appoint a Commission on Federal Laws to survey the laws of the United States and to make recommendations to the United States Congress as to which laws of the United States not applicable to the Northern Mariana Islands should be made applicable and to what extent and in what manner, and which applicable laws should be made inapplicable and to what extent and in what manner. The Commission will consist of seven persons (at least four of whom will be citizens of the Trust Territory of the Pacific Islands who are and have been for at least five years domiciled continuously in the Northern Mariana Islands at the time of their appointments) who will be representative of the federal, local, private and public interests in the applicability of laws of the United States to the Northern Mariana Islands. The Commission will make its final report and recommendations to the Congress within one year after the termination of the Trusteeship Agreement, and before that time will make such interim reports and recommendations to the Congress as it considers appropriate to facilitate the transition of the Northern Mariana Islands to its new political status. In formulating its recommendations the Commission will take into consideration the potential effect of each law on local conditions within the Northern Mariana Islands,

Membership.

Reports to Congress.

the policies embodied in the law and the provisions and purposes of this Covenant. The United States will bear the cost of the work of the Commission.

“SECTION 505. The laws of the Trust Territory of the Pacific Islands, of the Mariana Islands District and its local municipalities, and all other Executive and District orders of a local nature applicable to the Northern Mariana Islands on the effective date of this Section and not inconsistent with this Covenant or with those provisions of the Constitution, treaties or laws of the United States applicable to the Northern Mariana Islands will remain in force and effect until and unless altered by the Government of the Northern Mariana Islands.

“SECTION 506. (a) Notwithstanding the provisions of Subsection 503(a), upon the effective date of this Section the Northern Mariana Islands will be deemed to be a part of the United States under the Immigration and Nationality Act, as amended for the following purposes only, and the said Act will apply to the Northern Mariana Islands to the extent indicated in each of the following Subsections of this Section.

8 USC 1101 note.

“(b) With respect to children born abroad to United States citizen or non-citizen national parents permanently residing in the Northern Mariana Islands the provisions of Sections 301 and 308 of the said Act will apply.

8 USC 1401, 1408.

“(c) With respect to aliens who are ‘immediate relatives’ (as defined in Subsection 201(b) of the said Act) of United States citizens who are permanently residing in the Northern Mariana Islands all the provisions of the said Act will apply, commencing when a claim is made to entitlement to ‘immediate relative’ status. A person who is certified by the Government of the Northern Mariana Islands both to have been a lawful permanent resident of the Northern Mariana Islands and to have had the ‘immediate relative’ relationship denoted herein on the effective date of this Section will be presumed to have been admitted to the United States for lawful permanent residence as of that date without the requirement of any of the usual procedures set forth in the said Act. For the purpose of the requirements of judicial naturalization, the Northern Mariana Islands will be deemed to constitute a State as defined in Subsection 101(a) paragraph (36) of the said Act. The Courts of record of the Northern Mariana Islands and the District Court for the Northern Mariana Islands will be included among the courts specified in Subsection 310(a) of the said Act and will have jurisdiction to naturalize persons who become eligible under this Section and who reside within their respective jurisdictions.

“Immediate relatives.” 8 USC 1151.

8 USC 1101.

8 USC 1421.

“(d) With respect to persons who will become citizens or nationals of the United States under Article III of this Covenant or under this Section the loss of nationality provisions of the said Act will apply.

“ARTICLE VI

“REVENUE AND TAXATION

“SECTION 601. (a) The income tax laws in force in the United States will come into force in the Northern Mariana Islands as a local territorial income tax on the first day of January following the effective date of this Section, in the same manner as those laws are in force in Guam.

“(b) Any individual who is a citizen or a resident of the United States, of Guam, or of the Northern Mariana Islands (including a

national of the United States who is not a citizen), will file only one income tax return with respect to his income, in a manner similar to the provisions of Section 935 of Title 26, United States Code.

“(c) References in the Internal Revenue Code to Guam will be deemed also to refer to the Northern Mariana Islands, where not otherwise distinctly expressed or manifestly incompatible with the intent thereof or of this Covenant.

Additional taxes levied by Island government.

“SECTION 602. The Government of the Northern Mariana Islands may by local law impose such taxes, in addition to those imposed under Section 601, as it deems appropriate and provide for the rebate of any taxes received by it, except that the power of the Government of the Northern Mariana Islands to rebate collections of the local territorial income tax received by it will be limited to taxes on income derived from sources within the Northern Mariana Islands.

“SECTION 603. (a) The Northern Mariana Islands will not be included within the customs territory of the United States.

“(b) The Government of the Northern Mariana Islands may, in a manner consistent with the international obligations of the United States, levy duties on goods imported into its territory from any area outside the customs territory of the United States and impose duties on exports from its territory.

“(c) Imports from the Northern Mariana Islands into the customs territory of the United States will be subject to the same treatment as imports from Guam into the customs territory of the United States.

“(d) The Government of the United States will seek to obtain from foreign countries favorable treatment for exports from the Northern Mariana Islands and will encourage other countries to consider the Northern Mariana Islands a developing territory.

“SECTION 604. (a) The Government of the United States may levy excise taxes on goods manufactured, sold or used or services rendered in the Northern Mariana Islands in the same manner and to the same extent as such taxes are applicable within Guam.

“(b) The Government of the Northern Mariana Islands will have the authority to impose excise taxes upon goods manufactured, sold or used or services rendered within its territory or upon goods imported into its territory, provided that such excise taxes imposed on goods imported into its territory will be consistent with the international obligations of the United States.

U.S. property, exclusion from customs duties.

“SECTION 605. Nothing in this Article will be deemed to authorize the Government of the Northern Mariana Islands to impose any customs duties on the property of the United States or on the personal property of military or civilian personnel of the United States Government or their dependents entering or leaving the Northern Mariana Islands pursuant to their contract of employment or orders assigning them to or from the Northern Mariana Islands or to impose any taxes on the property, activities or instrumentalities of the United States which one of the several States could not impose; nor will any provision of this Article be deemed to affect the operation of the Soldiers and Sailors Civil Relief Act of 1940, as amended, which will be applicable to the Northern Mariana Islands as it is applicable to Guam.

50 USC app. 501.

Northern Mariana Islands Social Security Retirement Fund, transfer to U.S. Treasury.

“SECTION 606. (a) Not later than at the time this Covenant is approved, that portion of the Trust Territory Social Security Retirement Fund attributable to the Northern Mariana Islands will be transferred to the Treasury of the United States, to be held in trust as a

separate fund to be known as the ‘Northern Mariana Islands Social Security Retirement Fund’. This fund will be administered by the United States in accordance with the social security laws of the Trust Territory of the Pacific Islands in effect at the time of such transfer, which may be modified by the Government of the Northern Mariana Islands only in a manner which does not create any additional differences between the social security laws of the Trust Territory of the Pacific Islands and the laws described in Subsection (b). The United States will supplement such fund if necessary to assure that persons receive benefits therefrom comparable to those they would have received from the Trust Territory Social Security Retirement Fund under the laws applicable thereto on the day preceding the establishment of the Northern Mariana Islands Social Security Retirement Fund, so long as the rate of contributions thereto also remains comparable.

Administration.

“(b) Those laws of the United States which impose excise and self-employment taxes to support or which provide benefits from the United States Social Security System will upon termination of the Trusteeship Agreement or such earlier date as may be agreed to by the Government of the Northern Mariana Islands and the Government of the United States become applicable to the Northern Mariana Islands as they apply to Guam.

“(c) At such time as the laws described in Subsection (b) become applicable to the Northern Mariana Islands:

“(1) the Northern Mariana Islands Social Security Retirement Fund will be transferred into the appropriate Federal Social Security Trust Funds;

“(2) prior contributions by or on behalf of persons domiciled in the Northern Mariana Islands to the Trust Territory Social Security Retirement Fund or the Northern Mariana Islands Social Security Retirement Fund will be considered to have been made to the appropriate Federal Social Security Trust Funds for the purpose of determining eligibility of those persons in the Northern Mariana Islands for benefits under those laws; and

“(3) persons domiciled in the Northern Mariana Islands who are eligible for or entitled to social security benefits under the laws of the Trust Territory of the Pacific Islands or of the Northern Mariana Islands will not lose their entitlement and will be eligible for or entitled to benefits under the laws described in Subsection (b).

“SECTION 607. (a) All bonds or other obligations issued by the Government of the Northern Mariana Islands or by its authority will be exempt, as to principal and interest, from taxation by the United States, or by any State, territory or possession of the United States, or any political subdivision of any of them.

Bonds and other obligations, exemption.

“(b) During the initial seven year period of financial assistance provided for in Section 702, and during such subsequent periods of financial assistance as may be agreed, the Government of the Northern Mariana Islands will authorize no public indebtedness (other than bonds or other obligations of the Government payable solely from revenues derived from any public improvement or undertaking) in excess of ten percentum of the aggregate assessed valuation of the property within the Northern Mariana Islands.

“ARTICLE VII

“UNITED STATES FINANCIAL ASSISTANCE

“SECTION 701. The Government of the United States will assist the Government of the Northern Mariana Islands in its efforts to achieve a progressively higher standard of living for its people as part of the American economic community and to develop the economic resources needed to meet the financial responsibilities of local self-government. To this end, the United States will provide direct multi-year financial support to the Government of the Northern Mariana Islands for local government operations, for capital improvement programs and for economic development. The initial period of such support will be seven years, as provided in Section 702.

Seven year grant assistance, appropriation authorization.

“SECTION 702. Approval of this Covenant by the United States will constitute a commitment and pledge of the full faith and credit of the United States for the payment, as well as an authorization for the appropriation, of the following guaranteed annual levels of direct grant assistance to the Government of the Northern Mariana Islands for each of the seven fiscal years following the effective date of this Section:

“(a) \$8.25 million for budgetary support for government operations, of which \$250,000 each year will be reserved for a special education training fund connected with the change in the political status of the Northern Mariana Islands;

“(b) \$4 million for capital improvement projects, of which \$500,000 each year will be reserved for such projects on the Island of Tinian and \$500,000 each year will be reserved for such projects on the Island of Rota; and

“(c) \$1.75 million for an economic development loan fund, of which \$500,000 each year will be reserved for small loans to farmers and fishermen and to agricultural and marine cooperatives, and of which \$250,000 each year will be reserved for a special program of low interest housing loans for low income families.

Federal programs and services, availability.

“SECTION 703. (a) The United States will make available to the Northern Mariana Islands the full range of federal programs and services available to the territories of the United States. Funds provided under Section 702 will be considered to be local revenues of the Government of the Northern Mariana Islands when used as the local share required to obtain federal programs and services.

“(b) There will be paid into the Treasury of the Government of the Northern Mariana Islands, to be expended to the benefit of the people thereof as that Government may by law prescribe, the proceeds of all customs duties and federal income taxes derived from the Northern Mariana Islands, the proceeds of all taxes collected under the internal revenue laws of the United States on articles produced in the Northern Mariana Islands and transported to the United States, its territories or possessions, or consumed in the Northern Mariana Islands, the proceeds of any other taxes which may be levied by the Congress on the inhabitants of the Northern Mariana Islands, and all quarantine, passport, immigration and naturalization fees collected in the Northern Mariana Islands, except that nothing in this Section shall be construed to apply to any tax imposed by Chapters 2 or 21 of Title 26, United States Code.

26 USC 1401, 3101.

“SECTION 704. (a) Funds provided under Section 702 not obligated or expended by the Government of the Northern Mariana Islands

during any fiscal year will remain available for obligation or expenditure by that Government in subsequent fiscal years for the purposes for which the funds were appropriated.

“(b) Approval of this Covenant by the United States will constitute an authorization for the appropriation of a pro-rata share of the funds provided under Section 702 for the period between the effective date of this Section and the beginning of the next succeeding fiscal year.

Pro-rata share, appropriation authorization.

“(c) The amounts stated in Section 702 will be adjusted for each fiscal year by a percentage which will be the same as the percentage change in the United States Department of Commerce composite price index using the beginning of Fiscal Year 1975 as the base.

“(d) Upon expiration of the seven year period of guaranteed annual direct grant assistance provided by Section 702, the annual level of payments in each category listed in Section 702 will continue until Congress appropriates a different amount or otherwise provides by law.

“ARTICLE VIII

“PROPERTY

“SECTION 801. All right, title and interest of the Government of the Trust Territory of the Pacific Islands in and to real property in the Northern Mariana Islands on the date of the signing of this Covenant or thereafter acquired in any manner whatsoever will, no later than upon the termination of the Trusteeship Agreement, be transferred to the Government of the Northern Mariana Islands. All right, title and interest of the Government of the Trust Territory of the Pacific Islands in and to all personal property on the date of the signing of this Covenant or thereafter acquired in any manner whatsoever will, no later than upon the termination of the Trusteeship Agreement, be distributed equitably in a manner to be determined by the Government of the Trust Territory of the Pacific Islands in consultation with those concerned, including the Government of the Northern Mariana Islands.

“SECTION 802. (a) The following property will be made available to the Government of the United States by lease to enable it to carry out its defense responsibilities:

Leased property, U.S. defense purposes.

“(1) on Tinian Island, approximately 17,799 acres (7,203 hectares) and the waters immediately adjacent thereto;

“(2) on Saipan Island, approximately 177 acres (72 hectares) at Tanapag Harbor; and

“(3) on Farallon de Medinilla Island, approximately 206 acres (83 hectares) encompassing the entire island, and the waters immediately adjacent thereto.

“(b) The United States affirms that it has no present need for or present intention to acquire any greater interest in property listed above than that which is granted to it under Subsection 803(a), or to acquire any property in addition to that listed in Subsection (a), above, in order to carry out its defense responsibilities.

“SECTION 803. (a) The Government of the Northern Mariana Islands will lease the property described in Subsection 802(a) to the Government of the United States for a term of fifty years, and the Government of the United States will have the option of renewing this lease for all or part of such property for an additional term of fifty years if it so desires at the end of the first term.



“(b) The Government of the United States will pay to the Government of the Northern Mariana Islands in full settlement of this lease, including the second fifty year term of the lease if extended under the renewal option, the total sum of \$19,520,600, determined as follows:

- “(1) for that property on Tinian Island, \$17.5 million;
- “(2) for that property at Tanapag Harbor on Saipan Island, \$2 million; and
- “(3) for that property known as Farallon de Medinilla, \$20,600.

The sum stated in this Subsection will be adjusted by a percentage which will be the same as the percentage change in the United States Department of Commerce composite price index from the date of signing the Covenant.

“(c) A separate Technical Agreement Regarding Use of Land To Be Leased by the United States in the Northern Mariana Islands will be executed simultaneously with this Covenant. The terms of the lease to the United States will be in accordance with this Section and with the terms of the Technical Agreement. The Technical Agreement will also contain terms relating to the leaseback of property, to the joint use arrangements for San Jose Harbor and West Field on Tinian Island, and to the principles which will govern the social structure relations between the United States military and the Northern Mariana Islands civil authorities.

“(d) From the property to be leased to it in accordance with this Covenant the Government of the United States will lease back to the Government of the Northern Mariana Islands, in accordance with the Technical Agreement, for the sum of one dollar per acre per year, approximately 6,458 acres (2,614 hectares) on Tinian Island and approximately 44 acres (18 hectares) at Tanapag Harbor on Saipan Island, which will be used for purposes compatible with their intended military use.

“(e) From the property to be leased to it at Tanapag Harbor on Saipan Island the Government of the United States will make available to the Government of the Northern Mariana Islands 133 acres (54 hectares) at no cost. This property will be set aside for public use as an American memorial park to honor the American and Marianas dead in the World War II Marianas Campaign. The \$2 million received from the Government of the United States for the lease of this property will be placed into a trust fund, and used for the development and maintenance of the park in accordance with the Technical Agreement.

“SECTION 804. (a) The Government of the United States will cause all agreements between it and the Government of the Trust Territory of the Pacific Islands which grant to the Government of the United States use or other rights in real property in the Northern Mariana Islands to be terminated upon or before the effective date of the Section. All right, title and interest of the Government of the Trust Territory of the Pacific Islands in and to any real property with respect to which the Government of the United States enjoys such use or other rights will be transferred to the Government of the Northern Mariana Islands at the time of such termination. From the time such right, title and interest is so transferred the Government of the Northern Mariana Islands will assure the Government of the United States the continued use of the real property then actively used by the Government of the United States for civilian governmental purposes on terms comparable to those enjoyed by the Government of the United

States under its arrangements with the Government of the Trust Territory of the Pacific Islands on the date of the signature of this Covenant.

“(b) All facilities at Isely Field developed with federal aid and all facilities at that field usable for the landing and take-off of aircraft will be available to the United States for use by military and naval aircraft, in common with other aircraft, at all times without charge, except, if the use by military and naval aircraft shall be substantial, a reasonable share, proportional to such use, of the cost of operating and maintaining the facilities so used may be charged at a rate established by agreement between the Government of the Northern Mariana Islands and the Government of the United States.

Isely Field facilities, availability to U.S.

“SECTION 805. Except as otherwise provided in this Article, and notwithstanding the other provisions of this Covenant, or those provisions of the Constitution, treaties or laws of the United States applicable to the Northern Mariana Islands, the Government of the Northern Mariana Islands, in view of the importance of the ownership of land for the culture and traditions of the people of the Northern Mariana Islands, and in order to protect them against exploitation and to promote their economic advancement and self-sufficiency:

Landholding restrictions.

“(a) will until twenty-five years after the termination of the Trusteeship Agreement, and may thereafter, regulate the alienation of permanent and long-term interests in real property so as to restrict the acquisition of such interests to persons of Northern Mariana Islands descent; and

“(b) may regulate the extent to which a person may own or hold land which is now public land.

“SECTION 806. (a) The United States will continue to recognize and respect the scarcity and special importance of land in the Northern Mariana Islands. If the United States must acquire any interest in real property not transferred to it under this Covenant, it will follow the policy of seeking to acquire only the minimum area necessary to accomplish the public purpose for which the real property is required, of seeking only the minimum interest in real property necessary to support such public purpose, acquiring title only if the public purpose cannot be accomplished if a lesser interest is obtained, and of seeking first to satisfy its requirement by acquiring an interest in public rather than private real property.

“(b) The United States may, upon prior written notice to the Government of the Northern Mariana Islands, acquire for public purposes in accordance with federal laws and procedures any interest in real property in the Northern Mariana Islands by purchase, lease, exchange, gift or otherwise under such terms and conditions as may be negotiated by the parties. The United States will in all cases attempt to acquire any interest in real property for public purposes by voluntary means under this Subsection before exercising the power of eminent domain. No interest in real property will be acquired unless duly authorized by the Congress of the United States and appropriations are available therefor.

“(c) In the event it is not possible for the United States to obtain an interest in real property for public purposes by voluntary means, it may exercise within the Commonwealth the power of eminent domain to the same extent and in the same manner as it has and can exercise the power of eminent domain in a State of the Union. The power of eminent domain will be exercised within the Commonwealth only to the extent necessary and in compliance with applicable United States laws, and with full recognition of the due process required by the United States Constitution.

Power of eminent domain.

USC prec. title 1.

Technical Agreement Regarding Use of Land To Be Leased by the U.S.



“ARTICLE IX

“NORTHERN MARIANA ISLANDS REPRESENTATIVE AND CONSULTATION

“SECTION 901. The Constitution or laws of the Northern Mariana Islands may provide for the appointment or election of a Resident Representative to the United States, whose term of office will be two years, unless otherwise determined by local law, and who will be entitled to receive official recognition as such Representative by all of the departments and agencies of the Government of the United States upon presentation through the Department of State of a certificate of selection from the Governor. The Representative must be a citizen and resident of the Northern Mariana Islands, at least twenty-five years of age, and, after termination of the Trusteeship Agreement, a citizen of the United States.

Special representatives, report.

“SECTION 902. The Government of the United States and the Government of the Northern Mariana Islands will consult regularly on all matters affecting the relationship between them. At the request of either Government, and not less frequently than every ten years, the President of the United States and the Governor of the Northern Mariana Islands will designate special representatives to meet and to consider in good faith such issues affecting the relationship between the Northern Mariana Islands and the United States as may be designated by either Government and to make a report and recommendations with respect thereto. Special representatives will be appointed in any event to consider and to make recommendations regarding future multi-year financial assistance to the Northern Mariana Islands pursuant to Section 701, to meet at least one year prior to the expiration of every period of such financial assistance.

“SECTION 903. Nothing herein shall prevent the presentation of cases or controversies arising under this Covenant to courts established by the Constitution or laws of the United States. It is intended that any such cases or controversies will be justiciable in such courts and that the undertakings by the Government of the United States and by the Government of the Northern Mariana Islands provided for in this Covenant will be enforceable in such courts.

“SECTION 904. (a) The Government of the United States will give sympathetic consideration to the views of the Government of the Northern Mariana Islands on international matters directly affecting the Northern Mariana Islands and will provide opportunities for the effective presentation of such views to no less extent than such opportunities are provided to any other territory or possession under comparable circumstances.

Promotion of local tourism.

“(b) The United States will assist and facilitate the establishment by the Northern Mariana Islands of offices in the United States and abroad to promote local tourism and other economic or cultural interests of the Northern Mariana Islands.

“(c) On its request the Northern Mariana Islands may participate in regional and other international organizations concerned with social, economic, educational, scientific, technical and cultural matters when similar participation is authorized for any other territory or possession of the United States under comparable circumstances.

“ARTICLE X

“APPROVAL, EFFECTIVE DATES, AND DEFINITIONS

“SECTION 1001. (a) This Covenant will be submitted to the Mariana Islands District Legislature for its approval. After its approval by the Mariana Islands District Legislature, this Covenant will be submitted to the people of the Northern Mariana Islands for approval in a plebiscite to be called by the United States. Only persons who are domiciled exclusively in the Northern Mariana Islands and who meet such other qualifications, including timely registration, as are promulgated by the United States as administering authority will be eligible to vote in the plebiscite. Approval must be by a majority of at least 55% of the valid votes cast in the plebiscite. The results of the plebiscite will be certified to the President of the United States.

“(b) This Covenant will be approved by the United States in accordance with its constitutional processes and will thereupon become law.

Covenant approval by U.S.

“SECTION 1002. The President of the United States will issue a proclamation announcing the termination of the Trusteeship Agreement, or the date on which the Trusteeship Agreement will terminate, and the establishment of the Commonwealth in accordance with this Covenant. Any determination by the President that the Trusteeship Agreement has been terminated or will be terminated on a day certain will be final and will not be subject to review by any authority, judicial or otherwise, of the Trust Territory of the Pacific Islands, the Northern Mariana Islands or the United States.

Trusteeship Agreement termination; establishment of Commonwealth, proclamation.

“SECTION 1003. The provisions of this Covenant will become effective as follows, unless otherwise specifically provided:

Effective dates.

“(a) Sections 105, 201-203, 503, 504, 606, 801, 903 and Article X will become effective on approval of this Covenant;

“(b) Sections 102, 103, 204, 304, Article IV, Sections 501, 502, 505, 601-605, 607, Article VII, Sections 802-805, 901 and 902 will become effective on a date to be determined and proclaimed by the President of the United States which will be not more than 180 days after this Covenant and the Constitution of the Northern Mariana Islands have both been approved; and

“(c) The remainder of this Covenant will become effective upon the termination of the Trusteeship Agreement and the establishment of the Commonwealth of the Northern Mariana Islands.

“SECTION 1004. (a) The application of any provision of the Constitution or laws of the United States which would otherwise apply to the Northern Mariana Islands may be suspended until termination of the Trusteeship Agreement if the President finds and declares that the application of such provision prior to termination would be inconsistent with the Trusteeship Agreement.

“(b) The Constitution of the Northern Mariana Islands will become effective in accordance with its terms on the same day that the provisions of this Covenant specified in Subsection 1003(b) become effective, provided that if the President finds and declares that the effectiveness of any provision of the Constitution of the Northern Mariana Islands prior to termination of the Trusteeship Agreement would be inconsistent with the Trusteeship Agreement such provision will be ineffec-

Constitution of the Northern Mariana Islands, effective date.

tive until termination of the Trusteeship Agreement. Upon the establishment of the Commonwealth of the Northern Mariana Islands the Constitution will become effective in its entirety in accordance with its terms as the Constitution of the Commonwealth of the Northern Mariana Islands.

Definitions.

“SECTION 1005. As used in this Covenant:

“(a) ‘Trusteeship Agreement’ means the Trusteeship Agreement for the former Japanese Mandated Islands concluded between the Security Council of the United Nations and the United States of America, which entered into force on July 18, 1947;

“(b) ‘Northern Mariana Islands’ means the area now known as the Mariana Islands District of the Trust Territory of the Pacific Islands, which lies within the area north of 14° north latitude, south of 21° north latitude, west of 150° east longitude and east of 144° east longitude;

“(c) ‘Government of the Northern Mariana Islands’ includes, as appropriate, the Government of the Mariana Islands District of the Trust Territory of the Pacific Islands at the time this Covenant is signed, its agencies and instrumentalities, and its successors, including the Government of the Commonwealth of the Northern Mariana Islands;

“(d) ‘Territory or possession’ with respect to the United States includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam and American Samoa;

“(e) ‘Domicile’ means that place where a person maintains a residence with the intention of continuing such residence for an unlimited or indefinite period, and to which such person has the intention of returning whenever he is absent, even for an extended period.

“Signed at Saipan, Mariana Islands on the fifteenth day of February, 1975.

“For the people of the Northern Mariana Islands:

EDWARD DLG. PANGELINAN,  
Chairman, Marianas  
Political Status Commission.

VICENTE N. SANTOS,  
Vice Chairman, Marianas  
Political Status Commission.

“For the United States of America:

Ambassador F. HAYDN WILLIAMS,  
Personal Representative of the  
President of the United States.

“Members of the Marianas Political Status Commission:

JUAN LG. CABRERA.  
VICENTE T. CAMACHO.  
JOSE R. CRUZ.  
BERNARD V. HOFSCHEIDER.  
BENJAMIN T. MANGLONA.  
DANIEL T. MUNA.  
DR. FRANCISCO T. PALACIOS.  
JOAQUIN I. PANGELINAN.  
MANUEL A. SABLAN.  
JOANNES B. TAIMANAO.  
PEDRO A. TENORIO.”

SEC. 2. It is the sense of the Congress that pursuant to section 902 of the foregoing Covenant, and in any case within ten years from the date of the enactment of this resolution, the President of the United States should request, on behalf of the United States, the designation of special representatives to meet and to consider in good faith such issues affecting the relationship between the Northern Mariana Islands and the United States as may be designated by either Government and to make a report and recommendations with respect thereto.

Approved March 24, 1976.

Special representatives, appointment by President, report to Congress. 48 USC 1681 note.

LEGISLATIVE HISTORY:

HOUSE REPORT No. 94-364 (Comm. on Interior and Insular Affairs).  
SENATE REPORTS: No. 94-433 (Comm. on Interior and Insular Affairs) and No. 94-596 (Committees on Foreign Relations and Armed Services).

CONGRESSIONAL RECORD:  
Vol. 121 (1975): July 21, considered and passed House.  
Vol. 122 (1976): Feb. 24, considered and passed Senate, amended. Mar. 11, House concurred in Senate amendments.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS:  
Vol. 12, No. 13 (1976): Mar. 24, Presidential statement.

APPROVING THE "COVENANT TO ESTABLISH A COMMONWEALTH OF  
THE NORTHERN MARIANA ISLANDS IN POLITICAL UNION WITH THE  
UNITED STATES OF AMERICA," AND FOR OTHER PURPOSES

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JULY 16, 1975.—Committed to the Committee of the Whole House on the  
State of the Union and ordered to be printed

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Mr. HALEY, from the Committee on Interior and Insular Affairs,  
submitted the following

REPORT

[To accompany H.J. Res. 549]

The committee on Interior and Insular Affairs, to which was referred the joint resolution (H.J. Res. 549) To approve the "Covenant To Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America," and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the joint resolution do pass.

PURPOSE

The purpose of H.J. Res. 549, as approved by the Committee on Interior and Insular Affairs by a vote of 30 to 0, is, as expressed in Section I, to approve the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America. Second, it is to authorize the appropriation of such additional funds as are needed to pay awards under Title II of the Micronesian Claims Act of 1971, (Public Law 92-39), enacted by the Congress and approved by the President, in accordance with the provisions of such Act, and third, it is to provide an established procedure by which to provide that the various territories of the United States may be included in those federal grant, loan and other assistance programs for which they would be otherwise eligible in accordance with the purposes of the authorizing statutes.

H.J. Res. 549 was introduced by Phillip Burton, (for himself, Mr. Don H. Clausen, Ms. Mink, Mr. Ketchum, Mr. Meeds, Mr. Taylor of North Carolina, Mr. Steiger of Arizona, Mr. Stephens, Mr. Lujan, Mr. Bingham, Mr. Lagomarsino, Mr. Vigorito, Mr. Symms, Ms. Chisholm, Ms. Pettis, Mr. Melcher, Mr. Badillo, Mr. Mikva, Mr. Seiberling,

Mr. Benitez, Ms. Burke of California, Mr. de Lugo, Mr. Won Pat, Mr. Howe and Mr. Miller of California).

An identical bill, H.J. Res. 550 was introduced by Mr. Phillip Burton (for himself, Mr. Santini and Mr. Weaver). A similar bill, H.J. Res. 547, was introduced by Mr. Skubitz, (for himself, Mr. Don H. Clausen, Mr. Steiger of Arizona, and Mr. Ruppe).

## BACKGROUND AND NEED

### SECTION I

The Trust Territory of the Pacific Islands (TTPI), often referred to as Micronesia, embraces an ocean area larger than the continental United States. It is made up of over 2,100 islands and is populated by approximately 115,000 inhabitants. Micronesia, in fact, describes a geographical location rather than a sociological distinction since the peoples of Micronesia vary greatly in culture, history and language. The political entity of Micronesia was developed during colonial rule and still reflected in the U.N. Trusteeship Agreement. Even today, in spite of 30 years of American administration, social and cultural factionalism within the islands continues as a strong force.

Following World War II, the United States Government developed plans to establish international machinery to replace the dying League of Nations' mandate system. In November 1946, President Truman submitted to the U.N. Security Council a trusteeship agreement which awarded Japan's former mandate in the Pacific to the United States as the Administering Authority. The agreement was approved on April 2, 1947.

The United States on the basis of a joint Congressional resolution then assumed responsibility for the administration of Micronesia under the United Nations' trusteeship agreement. The Security Council approved its designation as a strategic trusteeship in recognition of the islands' military importance during World War II in the Central Pacific. Such designation gave the United States the right to establish and use military facilities in the area for the maintenance of peace and international security. On the other hand, the United States was obligated to foster Micronesian development toward self-government and/or independence in accordance with the freely expressed will of the peoples concerned.

Administratively, the TTPI is subdivided, largely on the basis of cultural and language differences, into six districts; i.e., the Marshall Islands (pop. 25,044); Ponape (pop. 23,251); Truk (pop. 31,600); Yap (pop. 7,869); Palau (pop. 12,674); and the Northern Mariana Islands (pop. 14,335).

In 1969, the first of a series of meetings occurred between the U.S. representatives and the Joint Committee on Future Status (JCFS), Congress of Micronesia, concerning the future political status of Micronesia. Negotiations, however, broke down in May 1970 when the commonwealth proposal offered by the United States was rejected by the Micronesian Delegation. With the appointment in March 1971 of Ambassador Franklin Haydn Williams, the President's Personal Representative for Micronesian Status Negotiations, talks were again re-

sumed. However, in spite of repeated attempts to break the deadlock, little progress was made in the Micronesian-wide negotiations.

For twenty years, the people of the Northern Marianas through their duly elected representatives have on numerous occasions expressed formally and informally to the government of the United States and to the United Nations their strong desire to become a part of the political family of the United States. Because of a common racial, language and cultural tradition (i.e., Chamorro), the Northern Marianas initially sought to achieve unification with Guam. In 1969, however, the Guamanians in referendum rejected the concept of unification, temporarily at least blocking this avenue of political advancement. When it was apparent in April 1972 that the rest of Micronesia was bent on a much looser relationship with the United States (i.e. free association or independence), the Northern Marianas requested separate status negotiations.

Accordingly, the Marianas' Status Talks commenced in December 1972. In June 1973, upon conclusion of the Second Round of Negotiations, both the Marianas and the United States stipulated that all final agreements were dependent upon the approval of the Marianas' District Legislature, a local plebiscite and the United States Congress. Tentative agreement was reached, nevertheless, on the following issues:

(1) The future political relationship between the Marianas and the United States will take the form of a commonwealth; wherein the future Marianas' Government will exercise maximum internal self-government, including the right of the people to draft and adopt their own constitution and to establish local courts to administer local laws.

(2) Sovereignty over the Marianas will be vested in the United States, including complete authority in the fields of defense and foreign affairs.

(3) The future government of the Marianas will preserve control over land ownership.

The Third Session of the Marianas' Political Status Negotiations concluded on December 19, 1973 with the following agreements:

(1) Specified fundamental provisions of the Status Agreement, including certain provisions designed to insure maximum self-government, may not be amended or repealed except by mutual consent. To this extent, the authority of the United States in the Marianas is not plenary.

(2) Persons born in the Marianas prior to the establishment of the Commonwealth will have the opportunity to choose either U.S. citizenship or U.S. national status. Persons born in the Marianas after the establishment of the Commonwealth would be U.S. citizens.

(3) The future government of the Marianas' would have power to enact local taxes in addition to those imposed by the U.S. Internal Revenue Code.

(4) The Marianas would not be included in the customs territory of the United States and authority would be granted to establish a "duty free port."

(5) As is currently the case in Guam, the United States would return to the Marianas' Government all custom duties, excise taxes

and federal income taxes—estimated to be \$4–5 million per annum—derived from the Marianas.

(6) At an appropriate time after the Status Agreement is signed, a Joint Commission on Federal laws will undertake a detailed study of relevant federal legislation and will make specific recommendations to the United States Congress regarding the future applicability of such legislation in the Marianas.

On May 31, 1974, the Fourth Session of the Marianas' Status Talks concluded. During these discussions, the Delegations affirmed basic decisions reached in earlier sessions with respect to the future political relationships between the Northern Marianas and the United States. Otherwise, the negotiations concerned the U.S. military land requirements in the Marianas, principally on the island of Tinian.

During the Fifth Session of the Marianas Status Negotiations (December 1974–February 1975), Ambassador Williams announced that, in the near term, the major use for Tinian would be limited to ground, sea and air training exercises. The proposed covenant stipulates that the U.S. will acquire at a one-time cost of \$19,520,600 certain lands under a 50-year lease with an automatic renewal option for an additional 50 years without additional cost.

Economically, the U.S. agreed to provide for the next seven years multi-year financial support, at the rate of \$14 million per annum, to the Government of the Northern Mariana Islands. Agreement was also reached on matters concerning the applicability of Federal laws; immigration and naturalization; U.S. citizenship; revenue and taxation; social security; and Federal programs and services.

On February 15, 1975, the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America was signed by the U.S. and Marianas negotiators; shortly thereafter, the Northern Marianas Legislature unanimously endorsed the document. Following a three-month period of political education, the Covenant was presented for approval to the people of the Northern Marianas on June 17, 1975. With 95% of the registered voters participating, 78.8% voted in favor of the Covenant. Mr. Edwin D. Canham, Editor Emeritus of the Christian Science Monitor, and Presidentially appointed Plebiscite Commissioner, certified as to the results of the referendum on June 23, 1975.

Passage by the Congress of House Joint Resolution 549, approving the Northern Mariana Islands Commonwealth Covenant, will set into motion a series of progressive steps which will result in: the administrative separation of the Northern Mariana Islands from the Government of the Trust Territory of the Pacific Islands; the adoption of a locally-drafted and popularly-approved constitution for the Northern Mariana Islands; and finally, following the termination of the Trusteeship Agreement for all of the Trust Territory of the Pacific Islands, the conferral of commonwealth status on the Northern Mariana Islands is a territory of the United States.

#### SECTION II

The Micronesian Claims Act of 1971, enacted by the Congress and approved by the President (Public Law 92-39), established the Micronesian Claims Commission to administer the provisions of the Act

which provided for, under Title II of the act, post-war damage claims up to July 1, 1951, which could be filed by Micronesians for injuries to their persons and property. The Act authorized the appropriation of specified amounts for this purpose.

On the basis of the claims so far adjudicated by the Micronesian Claims Commission, it is apparent that the amounts authorized by the Act will fall short of making possible full payment of the adjudicated claims. It is the conviction of the Committee that the United States has a moral and legal responsibility to the people of Micronesia as a result of post-war activities by the United States. It is in the fulfillment of these responsibilities that Section 2 is necessary.

#### SECTION III

At the present time, territories participate in one or more of the various federal assistance programs only on the basis of specific inclusion in the authorizing statutes. Such inclusion is on an individual act-by-act basis as the respective bills are considered in the Committees. Consequently, by oversight, the territories are sometimes not included in such programs for which they would be otherwise eligible.

Because there is no formal comprehensive existing procedure by which it can be insured that the territories of the United States may be included in federal grant, loan and other assistance programs for which they would be otherwise eligible, this Section authorizes the President, subject to Congressional review as provided for by the Section, to extend such programs to the territories when he finds such action to be consistent with the purposes of the authorizing statutes.

#### SECTION-BY-SECTION ANALYSIS

##### SECTION I

##### *Article I—Political Relationship*

*Section 101.*—This section specifies that the United States will have sovereignty with respect to the Commonwealth of the Northern Mariana Islands as it does with respect to every state and territory.

The section also provides that the Commonwealth of the Northern Marianas will not come into being until the termination of the Trusteeship Agreement.

*Section 102.*—This section provides that: the relations between the Northern Marianas and the United States will be governed by the Covenant, and that the Covenant, together with the applicable provisions of the Constitution, treaties and laws of the United States, will be the supreme law of the Northern Mariana Islands.

*Section 103.*—Section 103 guarantees to the people of the Northern Marianas the right of self-government, and assures that they can govern themselves with respect to their internal affairs in accordance with a constitution of their own adoption.

*Section 104.*—This section provides that the United States will have complete responsibility for and authority with respect to the foreign affairs and defense of the Northern Marianas.

*Section 105.*—Section 105 provides that laws which Congress could not also make applicable to a state cannot be made applicable to the

Northern Marianas unless the Northern Marianas is specifically named in the legislation, so as to insure that legislation is not unintentionally applied to the Northern Marianas. Also, specified provisions of the Covenant may be modified only with the consent both of the Government of the Northern Marianas and of the Government of the United States.

*Article II—Constitution of the Northern Mariana Islands*

*Section 201.*—This section provides that the people of the Northern Marianas will formulate and approve their own constitution and that they may amend their constitution pursuant to procedures which will be established by that document.

*Section 202.*—This provision provides for approval of the Commonwealth Constitution by the U.S. Government.

*Section 203.*—Subsection (a) of Section 203 requires that the local Constitution provide for a republican form of government with separate executive, legislative and judicial branches, and contain a bill of rights.

Subsection (b) of Section 203 provides that the executive power of the Northern Marianas will be vested in a popularly elected governor and in such other officials as the people of the Northern Marianas provide for in the Constitution or laws.

Subsection (c) of this section provides that the Northern Marianas Legislature will be popularly elected, and that its power will extend to "all rightful subjects of legislation". The record of the hearing on H.J. Res. 549 before the Subcommittee established that the chief representatives of the U.S. Government and the Micronesian Political Status Commission, and the Subcommittee Chairman and the Subcommittee agreed that the understanding of and the ability to use the Chamorro language would be a valid factor for the Legislature to establish as a measure of employability in the Marianas Islands, in carrying out the authority provided for by this section.

Subsection (d) provides for local Northern Marianas courts with such jurisdiction as is established by the local constitution or local law.

*Section 204.*—Section 204 provides that all members of the Legislature of the Northern Marianas and all officers and employees of the local government will take an oath or affirmation to support the Covenant, the applicable provisions of the Constitution and laws of the United States, and the local Constitution and laws.

*Article III—Citizenship and Nationality*

*Section 301.*—Section 301 provides that, upon termination of the Trusteeship Agreement, the following persons and their children under 18 years of age who are not already citizens or nationals of the United States and who do not owe allegiance to any foreign country, which is a country other than the United States or the Trust Territory, will become citizens of the United States unless they choose to become U.S. Nationals instead:

(1) All persons who were born in the Northern Marianas, who are citizens of the Trust Territory of the Pacific Islands and who are domiciled in the Northern Marianas or the United States or any territory or possession of the United States;

(2) All persons who are citizens of the Trust Territory of the Pacific Islands, who have been domiciled continuously in the

Northern Marianas for at least five years immediately prior to the termination of the Trusteeship and who, unless under age, registered to vote in elections for the Mariana Islands District Legislature or for any municipal election in the Northern Marianas prior to January 1, 1975; and

(3) All persons, who immediately prior to the termination of the Trusteeship, are not citizens of the Trust Territory of the Pacific Islands but have been permanent residents of the Northern Mariana Islands continuously since before January 1, 1974.

*Section 302.*—This section provides that any person who would become a citizen of the United States solely because of Section 301 of the Covenant may within six months after the termination of the Trusteeship or within six months after reaching the age of 18 years, whichever is later, become a national instead of a citizen of the United States by making a declaration under oath before any federal court or any court of record in the Northern Marianas.

*Section 303.*—Under this section, persons born in the Northern Mariana Islands after termination of the Trusteeship will be United States citizens at birth.

*Section 304.*—Section 304 provides that citizens of the Northern Marianas will be entitled to all privileges and immunities of citizens in the several states of the United States.

*Article IV—Judicial Authority*

*Section 401.*—Section 401 requires the United States to establish for and within the Northern Mariana Islands a federal court of record to be known as the "District Court for the Northern Mariana Islands".

*Section 402.*—Section 402 deals with the jurisdiction of the federal court which will be established in the Northern Marianas.

Subsection (a) provides that the District Court for the Northern Marianas will have the same jurisdiction as a district court of the United States in a state of the union, except that, in cases raising question of federal law, it will have jurisdiction regardless of the amount in dispute.

Subsection (b) provides that the District Court for the Northern Marianas will have jurisdiction over local cases unless the Constitution or laws of the Northern Marianas vest such jurisdiction in a court established by the local government.

Subsection (b) provides also that, when it hears a local case, the federal court determines the requirements of indictment by grand jury and trial by jury in both civil and criminal cases as would a court of the Northern Marianas.

Subsection (c) provides that the Federal District Court in the Northern Marianas will have such appellate jurisdiction as the Constitution or laws of the Northern Marianas may provide, and that when the District Court sits as an appellate court, it will consist of three judges, at least one of whom must be a judge of a court of record of the Northern Mariana Islands.

*Section 403.*—This section deals with technical matters relating to United States judicial authority within the Northern Mariana Islands.

Subsection (a) assures that the relations between federal courts and the courts of the Northern Mariana Islands will be essentially the



same as the relationship between the federal courts and the courts of the states.

Subsection (b) provides that those portions of Title 28 of the United States Code which apply to Guam or to the District Court of Guam will be applicable to the Northern Marianas or the District Court for the Northern Marianas except as otherwise provided in Article IV. This section assures that the rules of procedure and other relevant federal laws are applicable.

*Article V—Applicability of laws*

*Section 501.*—This section deals with the application of the United States Constitution to the Northern Mariana Islands, and makes applicable to the Northern Marianas, as if it were a state, certain of the Constitutional provisions governing the relationship between the Federal Government and the states.

Subsection (a) provides that the specific provisions of the United States Constitution will be applicable to the Northern Marianas as if the Northern Marianas were a state.

It also provides that other provisions of or amendments to the Constitution of the United States which do not apply of their own force within the Northern Mariana Islands will be applicable only with the approval of the local government and of the Government of the United States.

Subsection (b) is intended to make clear that the applicability of certain provisions of the U.S. Constitution to the Northern Marianas will not prohibit the local government from imposing land alienation restrictions under Section 805, or from providing for a bicameral legislature as specified under Section 203, or from controlling jury and grand jury procedures in local cases in the Northern Marianas under Section 501.

*Section 502.*—Subsection (a) of this section contains a formula for determining the initial manner in which federal laws other than the United States Constitution will apply to the Northern Marianas.

Subsection 502(a) (1) assures that: laws which provide federal services and financial assistance programs for the States and territories will apply to the Northern Marianas as they apply to Guam; Section 228 of Title II and Title XVI of the United States Social Security Act will apply in the Northern Marianas as they apply in the States; the federal banking laws will apply as they apply in Guam; the Public Health Service Act will apply as it does in the Virgin Islands; the Micronesian Claims Act will continue to apply to the Northern Marianas as it applies to the Trust Territory of the Pacific Islands.

Subsection (a) (2) is the general formula for the application of federal laws. It contains a two-part test: applicability to Guam and applicability generally to the states.

Subsection (a) (3) provides that those federal laws which are not dealt with by subparagraphs (1) and (2) and which are applicable to the Trust Territory will continue to be applicable to the Northern Marianas.

Subsection 502(b) provides that the laws of the United States regarding coastal shipments and the conditions of employment, including the wages and hours of employees, will be applicable to the activities

of the United States Government and its contractors in the Northern Mariana Islands.

*Section 503.*—This section deals with certain laws of the United States, not presently applicable to the Northern Marianas and provides that these laws will not apply to the Northern Marianas prior to termination of the Trusteeship. They will not apply after termination until the Congress of the United States specifically acts to make them applicable.

Subsection 503(a) provides that until Congress acts to make the immigration and naturalization laws applicable, the Northern Marianas will have local control over immigration.

Subsection 503(b) provides that the coastwise shipping laws of the United States and the laws of the United States which prohibit foreign vessels from landing fish or unfinished fish products in the United States will not apply except in the manner and to the extent Congress should determine, except to the extent provided in Section 502(b) relative to the United States Government and its contractors.

Subsection (c) provides that the federal minimum wage provisions will not presently extend to the Northern Mariana Islands to the extent they apply to private employers and employees.

*Section 504.*—Section 504 provides that the President of the United States will appoint a Commission on Federal Laws to survey the laws of the United States and make recommendations to the United States Congress as to which laws should be made applicable to the Northern Marianas and to what extent and in what manner.

*Section 505.*—This section provides that the laws of the Trust Territory and of the Mariana Islands District and its local municipalities, and all other executive and district orders of a local nature applicable to the Northern Marianas upon the establishment of the new Government of the Northern Marianas under its own Constitution will continue in force unless altered by the Government of the Northern Marianas, to the extent such laws are not inconsistent with the Covenant or with the applicable provisions of the Constitution, treaties and laws of the United States.

*Section 506.*—Section 506 provides for limited application of the Immigration and Nationality Act of the United States to the Northern Marianas.

Subsection (a) provides that the Immigration and Nationality Act applies in the Northern Marianas only for the purposes specified in the remaining subsections.

Subsection (b) assures that if citizens or non-citizen nationals of the United States who permanently reside in the Northern Marianas have a child outside of the United States or the Northern Marianas, the child will not be considered an alien.

Subsection (c) deals with the problem of immediate relatives of citizens of the United States permanently residing in the Northern Marianas. "Immediate relatives" are defined by the Immigration and Nationality Act to be spouses, parents and children. It also provides a method by which the Government of the Northern Marianas may certify that certain persons meet the immediate relative qualification and are lawfully admitted to the Northern Marianas at the time the Trusteeship is terminated.



Subsection (c) also provides that the courts of record of the Northern Mariana Islands and the District Court for the Northern Mariana Islands will be able to naturalize persons who are eligible to be naturalized in accordance with the limited applicability of the Immigration and Nationality Act provided for in this Subsection and who reside within their respective jurisdictions.

Subsection (d) makes applicable to the Northern Marianas certain portions of the Immigration and Nationality Act which deal with the loss of citizenship or the loss of non-citizenship nationality.

*Article VI—Revenue and Taxation*

*Section 601.*—This section deals with the application of the federal income tax laws.

Subsection (a) provides that the federal income tax laws of the United States will come into force in the Northern Marianas as a local territorial income tax on the first day of January following the establishment of the new Government of the Northern Marianas.

Under Subsection (a), revenue laws will operate in the Northern Mariana Islands as the United States federal income tax laws operate in Guam.

Subsection (b) provides that persons who are residents of the Northern Marianas will file only one income tax return, depending on the taxpayer's residence at the end of the taxable year.

Subsection (c) provides that references in the Internal Revenue Code to Guam will be deemed to also refer to the Northern Marianas, where not otherwise distinctly expressed or manifestly incompatible with the intent of such sections or of the Covenant.

*Section 602.*—This section specifically recognizes the authority of the Government of the Northern Marianas to impose local taxes in addition to those imposed by the Federal income tax laws under Section 601.

The record of the hearing on H.J. Res. 549 before the Subcommittee established the intent that this section authorizes, among other actions, the providing of rebates on taxes collected and the enactment of surtaxes on income by the Government of the Northern Marianas, and that the assistance of the Internal Revenue Service will be available for such activities to the extent feasible.

*Section 603.*—This section deals with customs and other matters relating to trade with respect to the Northern Marianas.

Subsection (a) of this section provides that the Northern Marianas will not be included within the customs territory of the United States.

Subsection (b) allows the local government to levy duties on goods imported into the Northern Marianas from areas outside the customs territory of the United States in a manner which is consistent with the international obligations of the United States.

Subsection (c) assures that imports from the Northern Marianas into the customs territory of the United States will be subject to the same treatment as imports from Guam into the customs territory of the United States.

Subsection (d) provides that the United States will seek to obtain from foreign countries favorable treatment for exports from the Northern Marianas and will encourage other countries to consider the Northern Marianas a developing territory for this purpose.

*Section 604.*—Section 604 deals with excise taxes. Subsection (a) permits the United States to levy excise taxes on goods manufactured, sold or used or services rendered in the Northern Marianas in the same manner and to the same extent as such taxes are applicable within Guam.

Subsection (b) provides that the Northern Marianas can impose excise taxes on goods manufactured, sold or used or services rendered within its territory or on goods imported into the Northern Marianas, provided that excise taxes on goods imported into the Northern Marianas will be consistent with the international obligations of the United States.

*Section 605.*—This section provides that the Government of the Northern Marianas cannot impose customs duties on the property of the United States, and that it cannot impose any taxes on the property or activities of the United States except to the extent that a state could impose such taxes on such activities and property. This section also provides that the Soldiers and Sailors Civil Relief Act, as amended, will apply to the Northern Marianas as it applies to Guam.

*Section 606.*—Section 606 deals with the application of the United States Social Security System to the Northern Marianas.

Subsection (a) provides that not later than the time the Covenant is approved, that portion of the Trust Territory Social Security Retirement Fund attributable to the Northern Marianas will be transferred to the United States and held in trust in a separate fund to be known as the "Northern Marianas Social Security Retirement Fund." The United States will administer the Marianas Social Security System through the United States Social Security Administration in accordance with the laws of the Trust Territory in effect at the time of such transfer.

Subsection (b) assures that the laws of the United States which impose taxes to support or which provide benefits from the United States Social Security System will become applicable to the Northern Marianas as they are applicable to Guam upon termination of the Trusteeship Agreement or at such earlier time as may be agreed to by the Government of the Northern Marianas and the Government of the United States.

Subsection (c) provides that at the time the United States Social Security System becomes applicable in the Northern Marianas, the Northern Mariana Islands Social Security Retirement Fund will be transferred into the appropriate trust fund of the United States Social Security System.

Under Subsection (c) (2), contributions to the Trust Territory Social Security Retirement Fund or to the Northern Mariana Islands Social Security Retirement Fund will be considered to have been made to the appropriate United States Social Security Trust Fund for the purposes of determining eligibility of persons in the Northern Marianas for benefits from the federal trust funds.

Subsection (c) (3) assures that persons who are eligible for or entitled to social security benefits under the laws of the Trust Territory or of the Northern Marianas at the time that the federal social security laws become applicable, will not lose their entitlements.

*Section 607.*—Under Subsection (a), all bonds or other obligations issued by the local government or by its authority will be exempt, as

to principal and interest, from taxation by the United States, or by any state or territory of the United States, or by any political subdivision of any of them.

Subsection (b) provides that during the initial seven-year period of financial assistance under Section 702 of the Covenant, the Government of the Northern Marianas will authorize no public debt (other than bonds or other obligations of the government payable solely from revenues derived from a particular public improvement or undertaking) in excess of ten percent of the aggregate assessed valuation of the property within the Northern Marianas.

*Article VII—United States Financial Assistance*

*Section 701.*—The Government of the United States will assist the Government of the Northern Marianas in its efforts to achieve a progressively higher standard of living for the people of the Northern Marianas as a part of the American economic community, and to develop the economic resources needed to meet the financial responsibilities of local self-government.

*Section 702.*—Section 702 provides that the approval of the Covenant will constitute on the part of the United States, a commitment and pledge of its full faith and credit for the payment of the guaranteed annual levels of direct grant assistance to the Government of the Northern Marianas provided for in this section for each of the seven fiscal years following the establishment of the new local government. In addition, the approval of the Covenant will constitute an authorization for the appropriation of such funds.

For each of the seven years covered by Section 702, the following amounts will be provided:

(1) \$8.25 million for budgetary support for government operations. Of this amount each year \$250,000 will be reserved for a special education training fund connected with the change in the political status of the Northern Mariana Islands.

(2) \$4 million for capital improvement subjects. Of this amount, \$500,000 each year will be reserved for such projects on Tinian and \$500,000 each year will be reserved for such projects on Rota.

(3) \$1.75 million for an economic development loan fund, of which \$500,000 each year will be reserved for small loans to farmers and fishermen and to agricultural and marine cooperatives, and of which \$250,000 each year will be reserved for a special program of low interest housing loans for low income families.

*Section 703.*—Subsection (a) provides that the United States will make available to the Northern Mariana Islands the full range of federal programs and services available to the territories of the United States.

Subsection (a) provides that the funds that the Northern Marianas receives under Section 702 will be considered to be the local revenues of the Northern Marianas Government when used as the local share required to obtain federal programs and services.

Subsection (b) provides that the federal government will pay to the Government of the Northern Marianas, to be expended for the benefit of the people of the Northern Marianas as the local government determines, the proceeds of essentially all taxes and duties and

fees collected with respect to the Northern Marianas, other than those which relate to social security benefits.

*Section 704.*—Section 704 deals with a variety of important but largely technical matters relating to financial assistance.

Subsection (a) provides that funds which are received by the Government of the Northern Marianas under Section 702 during any fiscal year will remain available for obligation or expenditure by the local government in subsequent fiscal years for the broad purposes for which the funds were appropriated.

Subsection (b) provides that approval of the Covenant by the United States will constitute an authorization for the appropriation of a prorata share of the funds provided by Section 702 for that period of time between the establishment of the new Government of the Northern Marianas and the beginning of the next succeeding fiscal year.

Subsection (c) provides that the amounts stated in Section 702 will be adjusted for each year for changes in the value of the dollar based on the percentage change in the U.S. Gross National Product Implicit Price Deflator since the beginning of fiscal year 1975. By this language, it is intended that July 1, 1974, will be the beginning date on which the adjustment is based.

Subsection (d) provides that after the expiration of the seven-year period of annual direct grant assistance provided by Section 702, the annual level of payment in each category listed in Section 702 will continue until Congress appropriates a different amount or otherwise provides by law.

*Article VIII—Property*

*Section 801.*—Section 801 provides that all right, title and interest of the Government of the Trust Territory of the Pacific Islands to real property in the Northern Marianas will be transferred to the Government of the Northern Marianas. The transfer will take place no later than the time of the termination of the Trusteeship.

This section also provides that all right, title and interest of the Government of the Trust Territory in personal property on the date the Covenant was signed or thereafter acquired by it, will, no later than the termination of the Trusteeship, be distributed equitably in a manner to be determined by the Trust Territory Government after consultation with those concerned, including the Government of the Northern Marianas.

*Section 802.*—This section provides that the following property will be made available to the United States, to enable it to carry out its defense responsibilities, by lease by the local Northern Mariana Islands Government:

(1) On Tinian, approximately 17,799 acres and the waters immediately adjacent thereto.

(2) On Saipan, approximately 177 acres at Tanapag Harbor.

(3) Farallon de Medinilla Island, approximately 206 acres encompassing the entire island and the waters immediately adjacent thereto.

Subsection (b) is an affirmation by the United States that it has no present need for or present intention to acquire any greater interest in the property being leased to it on Tinian, at Tanapag and on Farallon

de Medinilla than the lease interest which is granted to it under Section 803(a).

*Section 803.*—Subsection (a) provides that the Government of the Northern Marianas will lease the property described in Section 802(a) to the Government of the United States for a term of fifty years, and that the Government of the United States will have the option of renewing this lease for all or part of such property for an additional term of fifty years, at no additional cost, if it so desires at the end of the first term.

Subsection (b) provides that the United States will pay to the Government of the Northern Marianas in full settlement of the lease, including the second fifty-year period of the lease if extended under the renewal option, the total sum of \$19,520,600. The total sum which will be paid by the United States for the leasehold will be adjusted by a percentage which is the same as the percentage change in the U.S. Gross National Product Implicit Price Deflator from the date the Covenant was signed until the sum is paid.

Subsection (c) states that a separate Technical Agreement Regarding Use of Land to be Leased to the United States in the Northern Mariana Islands will be executed simultaneously with the Covenant, and that the terms of the lease to the United States will be in accordance with the Technical Agreement as well as with the Covenant.

Subsection (d) provides that from the property to be leased to it under the Covenant, the United States will lease back, in accordance with the Technical Agreement, for the sum of \$1 per acre per year, approximately 6,458 acres on Tinian and approximately 44 acres at Tanapag Harbor. This land may be used only for purposes compatible with the intended military use.

Subsection (e) provides that the Government of the United States will make available to the Government of the Northern Marianas, 133 acres at no cost at Tanapag Harbor. This property will be set aside as a public park to serve as a memorial to the American and Marianas dead in World War II. Two million dollars of the total funds paid by the United States for the lease will be placed in a trust fund by the Government of the Northern Marianas or by the legal entity, and the income from the fund will be used to develop and maintain the park.

*Section 804.*—Subsection (a) provides for the cancellation, no later than the establishment of the new local government, of military retention land and other land use agreements by which the Government of the United States benefits in the Northern Marianas, and provides for the future use of such of this land as is needed by the Federal Government for civilian purposes on terms comparable to those now in effect.

Subsection (b) provides that the facilities at Isley Field developed with federal aid and all facilities there usable for the landing and take-off of aircraft will be available to the United States for use by military aircraft in common with other aircraft at all times without charge. If use by the military is substantial, a reasonable share, proportional to such use, of the cost of operating and maintaining the facilities may be charged to the military.

*Section 805.*—This section expressly recognizes the importance of the ownership of land for the culture and traditions of the people of

the Northern Mariana Islands and the desirability of protecting their land against exploitation. Under this section, the Government of the Northern Mariana Islands must, for 25 years following termination of the Trusteeship, regulate the alienation of permanent and long-term interests in property so as to restrict the acquisition of such interests to persons of Northern Mariana Islands descent, including both those of Chamorro and Carolinian ancestry. After the expiration of this 25-year period, the Government of the Northern Mariana Islands may regulate the alienation of property as described. The Government of the Northern Marianas is specifically authorized to regulate the extent to which any one person may hold or own land which is now public land. Nothing elsewhere in the Covenant (except certain provisions of Article VIII itself) or in the applicable portions of the U.S. Constitution or laws may interfere with these provisions.

*Section 806.*—This section deals with the authority of the United States to acquire land in the future which it may need for governmental purposes.

Section 806(a) provides that the United States will continue to recognize and respect the scarcity and special importance of land in the Northern Marianas. If the United States must acquire any interest in real property which it does not obtain under the Covenant, the United States will follow the policy of seeking to acquire only the minimum area necessary to accomplish the public purpose for which the real property is required; of seeking only the minimum interest in real property necessary to support that public purpose, of acquiring title only if the public enterprise cannot be accomplished with a lesser interest; and of seeking first to satisfy its requirement by acquiring an interest in public rather than private land.

Subsection (b) provides that the United States may, after written notice to the Government of the Northern Marianas, acquire for public purposes in accordance with federal laws and procedures any interest in real property in the Northern Marianas by purchase, lease, exchange, gift or otherwise under such terms and conditions as may be negotiated by the United States and the owner of the property. The United States is required by this section in all cases to attempt to acquire an interest in real property for public purposes by voluntary means before exercising the power of eminent domain.

Subsection (c) provides that in the event it is not possible for the United States to obtain an interest in real property for public purpose by voluntary means, the United States will have and may exercise within the Northern Marianas the power of eminent domain to the same extent and in the same manner it has and can exercise the power in a state. The power of eminent domain will be exercised only to the extent necessary and in compliance with applicable federal law, and with full recognition of the due process required by the United States Constitution.

*Article IX—Northern Mariana Islands Representative and Consultation*

*Section 901.*—This section provides that the Constitution or laws of the Northern Marianas may provide for the appointment or election of a Resident Representative to the United States, who will be entitled

to receive official recognition as such Representative by all of the departments and agencies of the United States Government.

The term of office of the Resident Representative will be two years, unless otherwise determined by local law. The Representative must be a citizen and a resident of the Northern Mariana Islands, must be at least 25 years of age, and, after termination of the Trusteeship Agreement, must be a citizen of the United States. The manner in which the Representative will be selected is left to the local government.

*Section 902.*—Section 902 provides that the Government of the United States and the Government of the Northern Marianas will consult regularly on all matters affecting the relationship between them. At the request of either Government, and not less frequently than once every ten years, the President of the United States and the Governor of the Northern Marianas will designate special representatives to meet and to consider in good faith such issues affecting the relationship as may be designated by either Government.

*Section 903.*—This section provides that nothing in the Covenant shall prevent the presentation of cases arising under the Covenant to the federal courts. Section 903 expresses the intent of the United States and the Northern Marianas that such cases be heard in those courts, and that the undertakings or promises by the Government of the United States and by the Government of the Northern Marianas provided for in the Covenant will be enforceable.

*Section 904.*—Section 904 deals with three aspects of international relations which are of particular concern to the Northern Marianas.

Subsection (a) provides that the United States Government will give sympathetic consideration to the advice of the Government of the Northern Marianas on international matters directly affecting the Northern Marianas. It also assures the Government of the Northern Marianas that it will be provided with opportunities for the effective presentation of its views on such matters to no less an extent than such opportunities are provided to any other territory or possession under comparable circumstances.

Subsection (b) provides that the United States will assist and facilitate the establishment by the Northern Marianas of offices in the United States and in foreign countries to promote local tourist and other economic and cultural interests of the Northern Marianas.

Subsection (c) provides that the Northern Marianas may, upon its request, participate in regional or other international organizations concerned with social, economic, educational, scientific, technical and cultural matters when similar participation is authorized other United States territories or possessions under comparable circumstances.

#### *Article X—Approval, Effective Dates, and Definitions*

*Section 1001.*—This section deals with the method by which the Covenant will be approved.

Subsection (a) provides for approval on behalf of the Northern Marianas. As requested by this subsection, the Covenant has been submitted to the Mariana Islands District Legislature, which has approved it for submission to the people of the Northern Marianas in a plebiscite. The next step was the plebiscite. Only persons who were domiciled exclusively in the Northern Marianas and who met other requirements promulgated by the United States as administering authority were eligible to vote in the plebiscite. (The Covenant was ap-

proved unanimously by the Mariana Islands District Legislature, and with 95% of the registered voters participating, 78.8% voted in favor of the Covenant.)

Subsection (b) provides that the Covenant will be approved by the United States in accordance with its constitutional processes. This process will include approval by the Congress, and signature of the approved document by the President. The Covenant will thereupon become part of the law of the United States.

*Section 1002.*—This section provides that the President of the United States will issue a proclamation announcing the termination of the Trusteeship Agreement and the establishment of the Commonwealth. Any such determination by the President that the Trusteeship has been or will be terminated will not be reviewable by any authority, judicial or otherwise, of the Trust Territory, of the Northern Marianas, or of the United States. The United States hopes to be able to terminate the Trusteeship by 1981.

*Section 1003.*—Section 1003 deals with the effective dates of various provisions of the Covenant.

Subsection (a) provides that the following provisions of the Covenant will be effective immediately upon approval by both sides:

- (1) the requirements for mutual consent;
- (2) drafting and approving the Constitution of the Northern Marianas;
- (3) the inapplicability of certain federal laws;
- (4) the establishment of the Commission on Federal Laws;
- (5) the trust arrangements relating to the Northern Mariana Islands Social Security System;
- (6) the requirement that land held by the Trust Territory Government will be transferred to the Northern Marianas Government;
- (7) the enforceability of undertakings by both the United States and the local government; and
- (8) the provisions for establishing the effective dates of the provisions of the Covenant will become effective upon approval of the Covenant.

Under Subsection (b), all the remaining important portions of the Covenant, other than those which relate to United States sovereignty and United States citizenship and nationality, will become effective on a date which will be within six months after both the Covenant and the Constitution of the Northern Marianas have been approved by both the United States and the Northern Mariana Islands. These include provisions relating to:

- (1) the relations between the United States and the Northern Mariana Islands
- (2) extension of federal laws
- (3) establishing the federal court
- (4) the specific application of provisions of the United States Constitution
- (5) revenue and taxation provisions
- (6) all of Article VII dealing with financial assistance
- (7) most of Article VIII dealing with land and
- (8) the provisions in Article IX guaranteeing to the Northern Marianas a Resident Representative in Washington and the right of periodic consultation.

Subsection (c) provides that the remaining provisions of the Covenant will become effective upon termination of the Trusteeship Agreement. These are:

(1) Section 101, which creates the Commonwealth in political union with and under the sovereignty of the United States

(2) Section 104, which grants the United States authority with respect to foreign affairs and defense (the United States will continue to have this authority under the Trusteeship Agreement until its termination)

(3) Sections 301-03, which deal with United States citizenship and nationality

(4) Section 506, which is designed to handle certain problems which may arise because the immigration and naturalization laws of the United States will not be applicable to the Northern Marianas

(5) Section 806, which deals with the authority of the United States to acquire property in the Northern Marianas and

(6) Section 904, which deals with Marianas participation in certain international affairs

*Section 1004.*—This section deals with certain matters prior to the termination of the Trusteeship and the establishment of the Commonwealth.

Subsection (a) provides that the application of any provision of the Constitution or laws of the United States which would otherwise apply to the Northern Marianas may be suspended until termination of the Trusteeship Agreement if the President finds and declares that the application of such provision prior to termination would be inconsistent with the Trusteeship Agreement.

Subsection (b) provides that the Constitution of the Northern Marianas will come into effect on a day chosen by the President of the United States which is within 180 days after both the Covenant and the local Constitution have been approved by both sides. Subsection (b) also gives the President of the United States the authority to delay the effectiveness of any provision of the local Constitution prior to the termination of the Trusteeship if he finds that implementation of such provision would be inconsistent with the Trusteeship Agreement.

*Section 1005.*—This section defines certain important terms used in the Covenant.

Subsection (a) defines "Trusteeship Agreement".

Subsection (b) defines the "Northern Mariana Islands" in geographic terms.

Subsection (c) defines the term "Government of the Northern Mariana Islands" to include, as appropriate in the context, the Government of the Mariana Islands District at the time the Covenant is signed and its successors, including the Government of the Commonwealth of the Northern Mariana Islands.

Subsection (d) defines the term "Territory or possession" with respect to the United States to include the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam and American Samoa.

Subsection (e) defines the term "Domicile" to mean that place where a person maintains a residence with the intention of continuing such

residence for an unlimited or indefinite period, and to which such person has the intention of returning whenever he is absent, even for an extended period. This is the standard legal definition of "domicile".

#### SECTION 2

This section authorizes the appropriation of such sums as may be necessary to make full payment of Title II awards by the Micronesian Claims Commission under the provisions of the Micronesian Claims Act of 1971.

#### SECTION 3

This section authorizes the President to extend to the territories federal programs providing grant, loan and loan guarantee programs or other assistance to the States, unless such extension is inconsistent with the purposes of the Act under which such assistance is provided, or unless such extension is disapproved by either House of Congress in the manner provided for by Section 3.

#### COST AND BUDGET ACT COMPLIANCE

Section 1 of this legislation authorizes an annual appropriation of \$14,000,000 per year for seven years, and a one-time appropriation of \$19,520,600 in payment of a land lease.

Section 2 authorizes such additional sums as may be necessary to make full payment of Title II awards by the Micronesian Claims Commission under the provisions of the Micronesian Claims Act of 1971.

Section 3 makes no authorization of appropriations. It authorizes the possible extension of certain Federal programs to the territories. Any resulting increase in authorizations would be provided for in the regular authorization legislation for each of the programs.

#### OVERSIGHT STATEMENT

Pursuant to Rule X, clause 2(b) (1), the Subcommittee on Territorial and Insular Affairs continues to exercise oversight responsibilities in connection with territorial legislation. No recommendations were submitted to the Committee pursuant to Rule X, clause 2(b) (2).

#### COMMITTEE RECOMMENDATION

The bill, H.J. Res. 549, having been passed out of the Subcommittee on Territorial and Insular Affairs without a dissenting vote, was approved by the Committee on Interior and Insular Affairs, in open mark-up session on July 15, 1975, by a vote of 30 to 0.

#### EXECUTIVE COMMUNICATIONS

The Executive Communication from the President, #1293 dated July 1, 1975 and a communication from the Department of the Interior dated July 11, 1975, relevant to H.J. Res. 549, as ordered reported, are set forth below:



THE WHITE HOUSE,  
Washington, July 1, 1975.

THE SPEAKER,  
The House of Representatives,  
Washington, D.C.

DEAR MR. SPEAKER: I am transmitting herewith a proposed Joint Resolution which would provide Congressional approval of the "Covenant to Establish A Commonwealth of the Northern Mariana Islands in Political Union with the United States of America."

On June 17, 1975, the people of the Northern Mariana Islands of the Trust Territory of the Pacific Islands overwhelmingly approved the Covenant in a United Nations-observed plebiscite. This historic act of self-determination was the capstone of more than twenty years of continuous effort on the part of the people of the Marianas District to enter into close union with the United States. This action has now cleared the way for the submission of the Covenant to the Congress of the United States for its formal consideration.

The passage by the Congress of the Joint Resolution approving the Northern Mariana Islands Commonwealth Covenant will set into motion a series of progressive steps which will result in: the administrative separation of the Northern Mariana Islands from the Government of the Trust Territory of the Pacific Islands; the adoption of a locally-drafted and popularly-approved Constitution for the Northern Mariana Islands; and finally, following the termination of the Trusteeship Agreement for all of the Trust Territory of the Pacific Islands, the conferral of Commonwealth status on the Northern Mariana Islands as a territory of the United States as provided for by the Covenant.

The Covenant Agreement I am presenting to the Congress today was signed on February 15, 1975, by the Marianas Political Status Commission for the Northern Mariana Islands and by Ambassador F. Haydn Williams for the United States. It is the result of more than two years of negotiations between the United States and a broadly representative delegation from the Northern Mariana Islands. Prior to and during the talks, the people of the Northern Mariana Islands actively participated in open discussions of the various aspects of the proposed relationship. Likewise, the Executive Branch consulted frequently with members of the U.S. Congress regarding the progress of the negotiations and actively sought the advice and guidance of the Congress, much of which is reflected in the final provisions of the Covenant.

Following the signing, the Covenant was submitted to the Marianas District Legislature for its review and approval. On February 20, 1975, the elected representatives of the people of the Northern Mariana Islands through the District Legislature unanimously approved the Covenant and requested the United States to arrange for an early Plebiscite. The Plebiscite was carried out in accordance with an Order

issued by the Secretary of the Interior on April 10, 1975. It was conducted under the supervision of my personal representative, Mr. Erwin D. Canham, whom I appointed to serve as Plebiscite Commissioner. On June 22, 1975, Commissioner Canham certified that 78.8 percent of the people in the Marianas who voted had approved the Covenant.

The next step in the approval process is action by the U.S. Congress. The enclosed Joint Resolution, when approved, will provide the authority to begin the gradual and progressive implementation of the terms of the Covenant. This process hopefully will have been completed by 1981 when we expect the Trusteeship over all of the Trust Territory of the Pacific Islands will have been terminated following a similar act of self-determination by the other districts of the TTPI.

All of the provisions of the Covenant are the product of detailed negotiations extending over a two year period. I want to call your attention particularly to the financial assistance provisions in light of the new procedures established by the Congressional Budget Act.

Article VII of the resolution specifically constitutes a commitment and pledge of the full faith and credit of the United States for the payment, as well as for the appropriation, of guaranteed levels of direct grant assistance totalling \$14,000,000 per year, in 1975 constant dollars, to the Government of the Northern Mariana Islands for each of the first seven full fiscal years after approval by the Federal Government of the locally adopted Constitution. The same amount would be paid in future years unless changed by the Congress. A pro rata share of the \$14,000,000 is authorized to be appropriated for the first partial fiscal year after the Constitution has been approved.

Article VIII of the resolution authorizes the appropriation of \$19,520,600 to be paid to the Government of the Northern Mariana Islands for the 50 year lease, with the option of renewing the lease for another 50 years at no cost, of approximately 18,182 acres of lands and waters immediately adjacent thereto.

In addition to these specific authorizations for appropriations, Article VII authorizes the Government of the Northern Mariana Islands to receive the full range of Federal programs and services available to the territories of the United States, as well as the proceeds of numerous Federal taxes, duties and fees—the same treatment as is presently afforded to the Territory of Guam.

I urge the Senate and the House to take early, positive action to approve the Northern Mariana Islands Commonwealth Covenant which will thereupon become law in accordance with its provisions. Favorable consideration by the Congress will represent one more important step in the fulfillment of the obligations which the United States undertook when the Congress approved by joint resolution the Trusteeship Agreement on July 18, 1947. Congressional approval of the freely expressed wish of the people of the Northern Mariana Islands will enable them to move toward their long sought goal of self-government in political union with the United States. The final realization of this desired goal will be an historic event for the people of the Northern Mariana Islands and for the United States—an event to which I look forward with great pleasure.

Sincerely,

GERALD R. FORD.

**JOINT RESOLUTION APPROVING THE "COVENANT TO ESTABLISH A COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS IN POLITICAL UNION WITH THE UNITED STATES OF AMERICA"**

Whereas, the United States is the Administering Authority of the Trust Territory of the Pacific Islands under the terms of the Trusteeship Agreement for the former Japanese mandated islands between the Security Council of the United Nations and the United States which was approved by the Security Council on April 2, 1947, and approved by the United States on July 18, 1947; and

Whereas, the United States, in accordance with the Trusteeship Agreement and the Charter of the United Nations, has assumed the obligation to promote the development of the peoples of the Trust Territory toward self-government or independence as may be appropriate to the particular circumstances of the Trust Territory and its peoples and the freely expressed wishes of the peoples concerned; and

Whereas the United States, in response to the desires of the people of the Northern Mariana Islands clearly expressed over the past twenty years through public petition and referendum, and in response to its own obligations under the Trusteeship Agreement to promote self-determination, entered into political status negotiations with representatives of the people of the Northern Mariana Islands; and

Whereas, on February 15, 1975, a "Covenant to Establish A Commonwealth of the Northern Mariana Islands in Political Union with the United States of America" was signed by the Marianas Political Status Commission for the people of the Northern Mariana Islands and by the President's Personal Representative, Ambassador F. Haydn Williams, for the United States of America, following which the Covenant was approved by the Mariana Islands District Legislature on February 20, 1975, and by the people of the Northern Mariana Islands in a plebiscite held on June 17, 1975: Now be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Covenant to Establish A Commonwealth of the Northern Mariana Islands in Political Union with the United States of America is approved as follows:*

(3)



## **COVENANT TO ESTABLISH A COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS IN POLITICAL UNION WITH THE UNITED STATES OF AMERICA**

Whereas, the Charter of the United Nations and the Trusteeship Agreement between the Security Council of the United Nations and the United States of America guarantee to the people of the Northern Mariana Islands the right freely to express their wishes for self-government or independence; and

Whereas, the United States supports the desire of the people of the Northern Mariana Islands to exercise their inalienable right of self-determination; and

Whereas, the people of the Northern Mariana Islands and the people of the United States share the goals and values found in the American system of government based upon the principles of government by the consent of the governed, individual freedom and democracy; and

Whereas, for over twenty years, the people of the Northern Mariana Islands, through public petition and referendum, have clearly expressed their desire for political union with the United States;

Now, therefore, the Marianas Political Status Commission, being the duly appointed representative of the people of the Northern Mariana Islands, and the Personal Representative of the President of the United States have entered into this Covenant in order to establish a self-governing commonwealth for the Northern Mariana Islands within the American political system and to define the future relationship between the Northern Mariana Islands and the United States. This Covenant will be mutually binding when it is approved by the United States, by the Mariana Islands District Legislature and by the people of the Northern Mariana Islands in a plebiscite, constituting on their part a sovereign act of self-determination.

### ARTICLE I.—POLITICAL RELATIONSHIP

#### SECTION 101

The Northern Mariana Islands upon termination of the Trusteeship Agreement will become a self-governing commonwealth to be known as the "Commonwealth of the Northern Mariana Islands", in political union with and under the sovereignty of the United States of America.

#### SECTION 102

The relations between the Northern Mariana Islands and the United States will be governed by this Covenant which, together with those provisions of the Constitution, treaties and laws of the United States applicable to the Northern Mariana Islands, will be the supreme law of the Northern Mariana Islands.

## SECTION 103

The people of the Northern Mariana Islands will have the right of local self-government and will govern themselves with respect to internal affairs in accordance with a Constitution of their own adoption.

## SECTION 104

The United States will have complete responsibility for and authority with respect to matters relating to foreign affairs and defense affecting the Northern Mariana Islands.

## SECTION 105

The United States may enact legislation in accordance with its constitutional processes which will be applicable to the Northern Mariana Islands, but if such legislation cannot also be made applicable to the several States the Northern Mariana Islands must be specifically named therein for it to become effective in the Northern Mariana Islands. In order to respect the right of self-government guaranteed by this Covenant the United States agrees to limit the exercise of that authority so that the fundamental provisions of this Covenant, namely Articles I, II and III and Sections 501 and 805, may be modified only with the consent of the Government of the United States and the Government of the Northern Mariana Islands.

## ARTICLE II.—CONSTITUTION OF THE NORTHERN MARIANA ISLANDS

## SECTION 201

The people of the Northern Mariana Islands will formulate and approve a Constitution and may amend their Constitution pursuant to the procedures provided therein.

## SECTION 202

The Constitution will be submitted to the Government of the United States for approval on the basis of its consistency with this Covenant and those provisions of the Constitution, treaties and laws of the United States to be applicable to the Northern Mariana Islands. The Constitution will be deemed to have been approved six months after its submission to the President on behalf of the Government of the United States unless earlier approved or disapproved. If disapproved the Constitution will be returned and will be resubmitted in accordance with this Section. Amendments to the Constitution may be made by the people of the Northern Mariana Islands without approval by the Government of the United States, but the courts established by the Constitution or laws of the United States will be competent to determine whether the Constitution and subsequent amendments thereto are consistent with this Covenant and with those provisions of the Constitution, treaties and laws of the United States applicable to the Northern Mariana Islands.

## SECTION 203

(a) The Constitution will provide for a republican form of government with separate executive, legislative and judicial branches, and will contain a bill of rights.

(b) The executive power of the Northern Mariana Islands will be vested in a popularly elected Governor and such other officials as the Constitution or laws of the Northern Mariana Islands may provide.

(c) The legislative power of the Northern Mariana Islands will be vested in a popularly elected legislature and will extend to all rightful subjects of legislation. The Constitution of the Northern Mariana Islands will provide for equal representation for each of the chartered municipalities of the Northern Mariana Islands in one house of a bicameral legislature, notwithstanding other provisions of this Covenant or those provisions of the Constitution or laws of the United States applicable to the Northern Mariana Islands.

(d) The judicial power of the Northern Mariana Islands will be vested in such courts as the Constitution or laws of the Northern Mariana Islands may provide. The Constitution or laws of the Northern Mariana Islands may vest in such courts jurisdiction over all causes in the Northern Mariana Islands over which any court established by the Constitution or laws of the United States does not have exclusive jurisdiction.

## SECTION 204

All members of the legislature of the Northern Mariana Islands and all officers and employees of the Government of the Northern Mariana Islands will take an oath or affirmation to support this Covenant, those provisions of the Constitution, treaties and laws of the United States applicable to the Northern Mariana Islands, and the Constitution and laws of the Northern Mariana Islands.

## ARTICLE III.—CITIZENSHIP AND NATIONALITY

## SECTION 301

The following persons and their children under the age of 18 years on the effective date of this Section, who are not citizens or nationals of the United States under any other provision of law, and who on that date do not owe allegiance to any foreign state, are declared to be citizens of the United States, except as otherwise provided in Section 302:

(a) all persons born in the Northern Mariana Islands who are citizens of the Trust Territory of the Pacific Islands on the day preceding the effective date of this Section, and who on that date are domiciled in the Northern Mariana Islands or in the United States or any territory or possession thereof;

(b) all persons who are citizens of the Trust Territory of the Pacific Islands on the day preceding the effective date of this section, who have been domiciled continuously in the Northern Mariana Islands for at least five years immediately prior to that date, and who, unless

under age, registered to vote in elections for the Mariana Islands District Legislature or for any municipal election in the Northern Mariana Islands prior to January 1, 1975; and

(c) all persons domiciled in the Northern Mariana Islands on the day preceding the effective date of this Section, who, although not citizens of the Trust Territory of the Pacific Islands, on that date have been domiciled continuously in the Northern Mariana Islands beginning prior to January 1, 1974.

## SECTION 302

Any person who becomes a citizen of the United States solely by virtue of the provisions of Section 301 may within six months after the effective date of that Section or within six months after reaching the age of 18 years, whichever date is the later, become a national but not a citizen of the United States by making a declaration under oath before any court established by the Constitution or laws of the United States or any court of record in the Commonwealth in the form as follows:

I . . . . . being duly sworn, hereby declare my intention to be a national but not a citizen of the United States.

## SECTION 303

All persons born in the Commonwealth on or after the effective date of this Section and subject to the jurisdiction of the United States will be citizens of the United States at birth.

## SECTION 304

Citizens of the Northern Mariana Islands will be entitled to all privileges and immunities of citizens in the several States of the United States.

## ARTICLE IV.—JUDICIAL AUTHORITY

## SECTION 401

The United States will establish for and within the Northern Mariana Islands a court of record to be known as the "District Court for the Northern Mariana Islands". The Northern Mariana Islands will constitute a part of the same judicial circuit of the United States as Guam.

## SECTION 402

(a) The District Court for the Northern Mariana Islands will have the jurisdiction of a district court of the United States, except that in all causes arising under the Constitution, treaties or laws of the United States it will have jurisdiction regardless of the sum or value of the matter in controversy.

(b) The District Court will have original jurisdiction in all causes in the Northern Mariana Islands not described in Subsection (a) jurisdiction over which is not vested by the Constitution or laws of the Northern Mariana Islands in a court or courts of the Northern Mariana Islands. In causes brought in the District Court solely on the basis of this

Subsection, the District Court will be considered a court of the Northern Mariana Islands for the purposes of determining the requirements of indictment by grand jury or trial by jury.

(c) The District Court will have such appellate jurisdiction as the Constitution or laws of the Northern Mariana Islands may provide. When it sits as an appellate court, the District Court will consist of three judges, at least one of whom will be a judge of a court of record of the Northern Mariana Islands.

## SECTION 403

(a) The relations between the courts established by the Constitution or laws of the United States and the courts of the Northern Mariana Islands with respect to appeals, certiorari, removal of causes, the issuance of writs of habeas corpus and other matters or proceedings will be governed by the laws of the United States pertaining to the relations between the courts of the United States and the courts of the several States in such matters and proceedings, except as otherwise provided in this Article; provided that for the first fifteen years following the establishment of an appellate court of the Northern Mariana Islands the United States Court of Appeals for the judicial circuit which includes the Northern Mariana Islands will have jurisdiction of appeals from all final decisions of the highest court of the Northern Mariana Islands from which a decision could be had in all cases involving the Constitution, treaties or laws of the United States, or any authority exercised thereunder, unless those cases are reviewable in the District Court for the Northern Mariana Islands pursuant to Subsection 402(c).

(b) Those portions of Title 28 of the United States Code which apply to Guam or the District Court of Guam will be applicable to the Northern Mariana Islands or the District Court for the Northern Mariana Islands, respectively, except as otherwise provided in this Article.

## ARTICLE V.—APPLICABILITY OF LAWS

## SECTION 501

(a) To the extent that they are not applicable of their own force, the following provisions of the Constitution of the United States will be applicable within the Northern Mariana Islands as if the Northern Mariana Islands were one of the several States: Article I, Section 9, Clauses 2, 3, and 8; Article I, Section 10, Clauses 1 and 3; Article IV, Section 1 and Section 2, Clauses 1 and 2; Amendments 1 through 9, inclusive; Amendment 13; Amendment 14, Section 1; Amendment 15; Amendment 19; and Amendment 26; provided, however, that neither trial by jury nor indictment by grand jury shall be required in any civil action or criminal prosecution based on local law, except where required by local law. Other provisions of or amendments to the Constitution of the United States, which do not apply of their own force within the Northern Mariana Islands, will be applicable within the Northern Mariana Islands only with the approval of the Government of the Northern Mariana Islands and of the Government of the United States.

(b) The applicability of certain provisions of the Constitution of the United States to the Northern Mariana Islands will be without prejudice to the validity of and the power of the Congress of the United States to consent to Sections 203, 506 and 805 and the proviso in Subsection (a) of this Section.

## SECTION 502

(a) The following laws of the United States in existence on the effective date of this Section and subsequent amendments to such laws will apply to the Northern Mariana Islands, except as otherwise provided in this Covenant:

(1) those laws which provide federal services and financial assistance programs and the federal banking laws as they apply to Guam; Section 228 of Title II and Title XVI of the Social Security Act as it applies to the several States; the Public Health Service Act as it applies to the Virgin Islands; and the Micronesian Claims Act as it applies to the Trust Territory of the Pacific Islands;

(2) those laws not described in paragraph (1) which are applicable to Guam and which are of general application to the several States as they are applicable to the several States; and

(3) those laws not described in paragraphs (1) or (2) which are applicable to the Trust Territory of the Pacific Islands, but not their subsequent amendments unless specifically made applicable to the Northern Mariana Islands, as they apply to the Trust Territory of the Pacific Islands until termination of the Trusteeship Agreement, and will thereafter be inapplicable.

(b) The laws of the United States regarding coastal shipments and the conditions of employment, including the wages and hours of employees, will apply to the activities of the United States Government and its contractors in the Northern Mariana Islands.

## SECTION 503

The following laws of the United States, presently inapplicable to the Trust Territory of the Pacific Islands, will not apply to the Northern Mariana Islands except in the manner and to the extent made applicable to them by the Congress by law after termination of the Trusteeship Agreement:

(a) except as otherwise provided in Section 506, the immigration and naturalization laws of the United States;

(b) except as otherwise provided in Subsection (b) of Section 502, the coastwise laws of the United States and any prohibition in the laws of the United States against foreign vessels landing fish or unfinished fish products in the United States; and

(c) the minimum wage provisions of Section 6, Act of June 25, 1938, 52 Stat. 1062, as amended.

## SECTION 504

The President will appoint a Commission on Federal Laws to survey the laws of the United States and to make recommendations to the United States Congress as to which laws of the United States not

applicable to the Northern Mariana Islands should be made applicable and to what extent and in what manner, and which applicable laws should be made inapplicable and to what extent and in what manner. The Commission will consist of seven persons (at least four of whom will be citizens of the Trust Territory of the Pacific Islands who are and have been for at least five years domiciled continuously in the Northern Mariana Islands at the time of their appointments) who will be representative of the federal, local, private and public interests in the applicability of laws of the United States to the Northern Mariana Islands. The Commission will make its final report and recommendations to the Congress within one year after the termination of the Trusteeship Agreement, and before that time will make such interim reports and recommendations to the Congress as it considers appropriate to facilitate the transition of the Northern Mariana Islands to its new political status. In formulating its recommendations the Commission will take into consideration the potential effect of each law on local conditions within the Northern Mariana Islands, the policies embodied in the law and the provisions and purposes of this Covenant. The United States will bear the cost of the work of the Commission.

## SECTION 505

The laws of the Trust Territory of the Pacific Islands, of the Mariana Islands District and its local municipalities, and all other Executive and District orders of a local nature applicable to the Northern Mariana Islands on the effective date of this Section and not inconsistent with this Covenant or with those provisions of the Constitution, treaties or laws of the United States applicable to the Northern Mariana Islands will remain in force and effect until and unless altered by the Government of the Northern Mariana Islands.

## SECTION 506

(a) Notwithstanding the provisions of subsection 503(a), upon the effective date of this Section the Northern Mariana Islands will be deemed to be a part of the United States under the Immigration and Nationality Act, as amended, for the following purposes only, and the said Act will apply to the Northern Mariana Islands to the extent indicated in each of the following Subsections of this Section.

(b) With respect to children born abroad to United States citizen or non-citizen national parents permanently residing in the Northern Mariana Islands the provisions of Sections 301 and 308 of the said Act will apply.

(c) With respect to aliens who are "immediate relatives" (as defined in Subsection 201(b) of the said Act) of United States citizens who are permanently residing in the Northern Mariana Islands all the provisions of the said Act will apply, commencing when a claim is made to entitlement to "immediate relative" status. A person who is certified by the Government of the Northern Mariana Islands both to have been a lawful permanent resident of the Northern Mariana Islands and to have had the "immediate relative" relationship denoted herein on the effective date of this Section will be presumed to have

been admitted to the United States for lawful permanent residence as of that date without the requirement of any of the usual procedures set forth in the said Act. For the purpose of the requirements of judicial naturalization, the Northern Mariana Islands will be deemed to constitute a State as defined in Subsection 101(a) paragraph (36) of the said Act. The Courts of record of the Northern Mariana Islands and District Court for the Northern Mariana Islands will be included among the courts specified in Subsection 310(a) of the said Act and will have jurisdiction to naturalize persons who become eligible under this Section and who reside within their specific jurisdictions.

(d) With respect to persons who will become citizens or nationals of the United States under Article III of this Covenant or under this Section the loss of nationality provisions of the said Act will apply.

#### ARTICLE VI.—REVENUE AND TAXATION

##### SECTION 601

(a) The income tax laws in force in the United States will come into force in the Northern Mariana Islands as a local territorial income tax on the first day of January following the effective date of this Section, in the same manner as those laws are in force in Guam.

(b) Any individual who is a citizen or a resident of the United States, of Guam or of the Northern Mariana Islands (including a national of the United States who is not a citizen), will file only one income tax return with respect to his income, in a manner similar to the provisions of Section 935 of Title 26, United States Code.

(c) References in the Internal Revenue Code to Guam will be deemed also to refer to the Northern Mariana Islands, where not otherwise distinctly expressed or manifestly incompatible with the intent thereof or of this Covenant.

##### SECTION 602

The Government of the Northern Mariana Islands may by local law impose such taxes, in addition to those imposed under Section 601, as it deems appropriate and provide for the rebate of any taxes received by it, except that the power of the Government of the Northern Mariana Islands to rebate collections of the local territorial income tax received by it will be limited to taxes on income derived from sources within the Northern Mariana Islands.

##### SECTION 603

(a) The Northern Mariana Islands will not be included within the customs territory of the United States.

(b) The Government of the Northern Mariana Islands may, in a manner consistent with the international obligations of the United States, levy duties on goods imported into its territory from any area outside the customs territory of the United States and impose duties on exports from its territory.

(c) Imports from the Northern Mariana Islands into the customs territory of the United States will be subject to the same treatment as imports from Guam into the customs territory of the United States.

(d) The Government of the United States will seek to obtain from foreign countries favorable treatment for exports from the Northern Mariana Islands and will encourage other countries to consider the Northern Mariana Islands a developing territory.

##### SECTION 604

(a) The Government of the United States may levy excise taxes on goods manufactured, sold or used or services rendered in the Northern Mariana Islands in the same manner and to the same extent as such taxes are applicable within Guam.

(b) The Government of the Northern Mariana Islands will have the authority to impose excise taxes upon goods manufactured, sold or used or services rendered within its territory or upon goods imported into its territory, provided that such excise taxes imposed on goods imported into its territory will be consistent with the international obligations of the United States.

##### SECTION 605

Nothing in this Article will be deemed to authorize the Government of the Northern Mariana Islands to impose any customs duties on the property of the United States or on the personal property of military or civilian personnel of the United States Government or their dependents entering or leaving the Northern Mariana Islands pursuant to their contract of employment or orders assigning them to or from the Northern Mariana Islands or to impose any taxes on the property, activities or instrumentalities of the United States which one of the several States could not impose; nor will any provision of this Article be deemed to affect the operation of the Soldiers and Sailors Civil Relief Act of 1940, as amended, which will be applicable to the Northern Mariana Islands as it is applicable to Guam.

##### SECTION 606

(a) Not later than at the time this Covenant is approved, that portion of the Trust Territory Social Security Retirement Fund attributable to the Northern Mariana Islands will be transferred to the Treasury of the United States, to be held in trust as a separate fund to be known as the "Northern Mariana Islands Social Security Retirement Fund". This fund will be administered by the United States in accordance with the social security laws of the Trust Territory of the Pacific Islands in effect at the time of such transfer, which may be modified by the Government of the Northern Mariana Islands only in a manner which does not create any additional differences between the social security laws of the Trust Territory of the Pacific Islands and the laws described in Subsection (b). The United States will supplement such fund if necessary to assure that persons receive benefits therefrom comparable to those they would have received from the Trust Territory Social Security Retirement Fund under the laws applicable thereto on the day preceding the establishment of the Northern Mariana Islands Social Security Retirement Fund, so long as the rate of contributions thereto also remains comparable.

(b) Those laws of the United States which impose excise and self-employment taxes to support or which provide benefits from the United States Social Security System will upon termination of the Trusteeship Agreement or such earlier date as may be agreed to by the Government of the Northern Mariana Islands and the Government of the United States become applicable to the Northern Mariana Islands as they apply to Guam.

(c) At such time as the laws described in Subsection (b) become applicable to the Northern Mariana Islands:

(1) the Northern Mariana Islands Social Security Retirement Fund will be transferred into the appropriate Federal Social Security Trust Funds;

(2) prior contributions by or on behalf of persons domiciled in the Northern Mariana Islands to the Trust Territory Social Security Retirement Fund or the Northern Mariana Islands Social Security Retirement Fund will be considered to have been made to the appropriate federal Social Security Trust Funds for the purpose of determining eligibility of those persons in the Northern Mariana Islands for benefits under those laws; and

(3) persons domiciled in the Northern Mariana Islands who are eligible for or entitled to social security benefits under the laws of the Trust Territory of the Pacific Islands or of the Northern Mariana Islands will not lose their entitlement and will be eligible for or entitled to benefits under the laws described in Subsection (b).

#### SECTION 607

(a) All bonds or other obligations issued by the Government of the Northern Mariana Islands or by its authority will be exempt, as to principal and interest, from taxation by the United States, or by any State, territory or possession of the United States, or any political subdivision of any of them.

(b) During the initial seven year period of financial assistance provided for in Section 702, and during such subsequent period of financial assistance as may be agreed, the Government of the Northern Mariana Islands will authorize no public indebtedness (other than bonds or other obligations of the Government payable solely from revenues derived from any public improvement or undertaking) in excess of ten percentum of the aggregate assessed valuation of the property within the Northern Mariana Islands.

### ARTICLE VII.—UNITED STATES FINANCIAL ASSISTANCE

#### SECTION 701

The Government of the United States will assist the Government of the Northern Mariana Islands in its efforts to achieve a progressively higher standard of living for its people as part of the American economic community and to develop the economic resources needed to meet the financial responsibilities of local self-government. To this end, the United States will provide direct multiyear financial support to the Government of the Northern Mariana Islands for local government operations, for capital improvement programs and for economic

development. The initial period of such support will be seven years, as provided in Section 702.

#### SECTION 702

Approval of this Covenant by the United States will constitute a commitment and pledge of the full faith and credit of the United States for the payment, as well as an authorization for the appropriation, of the following guaranteed annual levels of direct grant assistance to the Government of the Northern Mariana Islands for each of the seven fiscal years following the effective date of this Section:

(a) \$8.25 million for budgetary support for government operations, of which \$250,000 each year will be reserved for a special education training fund connected with the change in the political status of the Northern Mariana Islands;

(b) \$4 million for capital improvement projects, of which \$500,000 each year will be reserved for such projects on the Island of Tinian and \$500,000 each year will be reserved for such projects on the Island of Rota; and

(c) \$1.75 million for an economic development loan fund, of which \$500,000 each year will be reserved for small loans to farmers and fishermen and to agricultural and marine cooperatives, and of which \$250,000 each year will be reserved for a special program of low interest housing loans for low income families.

#### SECTION 703

(a) The United States will make available to the Northern Mariana Islands the full range of federal programs and services available to the territories of the United States. Funds provided under Section 702 will be considered to be local revenues of the Government of the Northern Mariana Islands when used as the local share required to obtain federal programs and services.

(b) There will be paid into the Treasury of the Government of the Northern Mariana Islands, to be expended to the benefit of the people thereof as that Government may by law prescribe, the proceeds of all customs duties and federal income taxes derived from the Northern Mariana Islands, the proceeds of all taxes collected under the internal revenue laws of the United States on articles produced in the Northern Mariana Islands and transported to the United States, its territories or possessions, or consumed in the Northern Mariana Islands, the proceeds of any other taxes which may be levied by the Congress on the inhabitants of the Northern Mariana Islands, and all quarantine, passport, immigration and naturalization fees collected in the Northern Mariana Islands, except that nothing in this Section shall be construed to apply to any tax imposed by Chapters 2 or 21 of Title 26, United States Code.

#### SECTION 704

(a) Funds provided under Section 702 not obligated or expended by the Government of the Northern Mariana Islands during any fiscal year will remain available for obligation or expenditure by that Government in subsequent fiscal years for the purposes for which the funds were appropriated.



(b) Approval of this Covenant by the United States will constitute an authorization for the appropriation of a pro-rata share of the funds provided under Section 702 for the period between the effective date of this Section and the beginning of the next succeeding fiscal year.

(c) The amounts stated in Section 702 will be adjusted for each fiscal year by a percentage which will be the same as the percentage change in the United States Department of Commerce composite price index using the beginning of Fiscal Year 1975 as the base.

(d) Upon expiration of the seven year period of guaranteed annual direct grant assistance provided by Section 702, the annual level of payments in each category listed in Section 702 will continue until Congress appropriates a different amount or otherwise provides by law.

#### ARTICLE VIII.—PROPERTY

##### SECTION 801

All right, title and interest of the Government of the Trust Territory of the Pacific Islands in and to real property in the Northern Mariana Islands on the date of the signing of this Covenant or thereafter acquired in any manner whatsoever will, no later than upon the termination of the Trusteeship Agreement, be transferred to the Government of the Northern Mariana Islands. All right, title and interest of the Government of the Trust Territory of the Pacific Islands in and to all personal property on the date of the signing of this Covenant or thereafter acquired in any manner whatsoever will, no later than upon the termination of the Trusteeship Agreement, be distributed equitably in a manner to be determined by the Government of the Trust Territory of the Pacific Islands in consultation with those concerned, including the Government of the Northern Mariana Islands.

##### SECTION 802

(a) The following property will be made available to the Government of the United States by lease to enable it to carry out its defense responsibilities:

(1) on Tinian Island, approximately 17,799 acres (7,203 hectares) and the waters immediately adjacent thereto;

(2) on Saipan Island, approximately 177 acres (72 hectares) at Tanapag Harbor; and

(3) on Farallon de Medinilla Island, approximately 206 acres (83 hectares) encompassing the entire island, and the waters immediately adjacent thereto.

(b) The United States affirms that it has no present need for or present intention to acquire any greater interest in property listed above than that which is granted to it under Subsection 803(a), or to acquire any property in addition to that listed in Subsection (a), above, in order to carry out its defense responsibilities.

##### SECTION 803

(a) The Government of the Northern Mariana Islands will lease the property described in Subsection 802(a) to the Government of the

United States for a term of fifty years, and the Government of the United States will have the option of renewing this lease for all or part of such property for an additional term of fifty years if it so desires at the end of the first term.

(b) The Government of the United States will pay to the Government of the Northern Mariana Islands in full settlement of this lease, including the second fifty year term of the lease if extended under the renewal option, the total sum of \$19,520,600, determined as follows:

(1) for that property on Tinian Island, \$17.5 million;

(2) for that property at Tanapag Harbor on Saipan Island, \$2 million; and

(3) for that property known as Farallon de Medinilla, \$20,600.

The sum stated in this Subsection will be adjusted by a percentage which will be the same as the percentage change in the United States Department of Commerce composite price index from the date of signing the Covenant.

(c) A separate Technical Agreement Regarding Use of Land To Be Leased by the United States in the Northern Mariana Islands will be executed simultaneously with this Covenant. The terms of the lease to the United States will be in accordance with this Section and with the terms of the Technical Agreement. The Technical Agreement will also contain terms relating to the leaseback of property, to the joint use arrangements for San Jose Harbor and West Field on Tinian Island, and to the principles which will govern the social structure relations between the United States military and the Northern Mariana Islands civil authorities.

(d) From the property to be leased to it in accordance with this Covenant the Government of the United States will lease back to the Government of the Northern Mariana Islands, in accordance with the Technical Agreement, for the sum of one dollar per acre per year, approximately 6,458 acres (2,614 hectares) on Tinian Island and approximately 44 acres (18 hectares) at Tanapag Harbor on Saipan Island, which will be used for purposes compatible with their intended military use.

(e) From the property to be leased to it at Tanapag Harbor on Saipan Island the Government of the United States will make available to the Government of the Northern Mariana Islands 133 acres (54 hectares) at no cost. This property will be set aside for public use as an American memorial park to honor the American and Marianas dead in the World War II Marianas Campaign. The \$2 million received from the Government of the United States for the lease of this property will be placed into a trust fund, and used for the development and maintenance of the park in accordance with the Technical Agreement.

##### SECTION 804

(a) The Government of the United States will cause all agreements between it and the Government of the Trust Territory of the Pacific Islands which grant to the Government of the United States use or other rights in real property in the Northern Mariana Islands to be terminated upon or before the effective date of this Section. All right, title and interest of the Government of the Trust Territory of the Pa-



cific Islands in and to any real property with respect to which the Government of the United States enjoys such use or other rights will be transferred to the Government of the Northern Mariana Islands at the time of such termination. From the time such right, title and interest is so transferred the Government of the Northern Mariana Islands will assure the Government of the United States the continued use of the real property then actively used by the Government of the United States for civilian governmental purposes on terms comparable to those enjoyed by the Government of the United States under its arrangements with the Government of the Trust Territory of the Pacific Islands on the date of the signature of this Covenant.

(b) All facilities at Isely Field developed with federal aid and all facilities at that field usable for the landing and take-off of aircraft will be available to the United States for use by military and naval aircraft, in common with other aircraft, at all times without charge, except, if the use by military and naval aircraft shall be substantial, a reasonable share, proportional to such use, of the cost of operating and maintaining the facilities so used may be charged at a rate established by agreement between the Government of the Northern Mariana Islands and the Government of the United States.

## SECTION 805

Except as otherwise provided in this Article, and notwithstanding the other provisions of this Covenant, or those provisions of the Constitution, treaties or laws of the United States applicable to the Northern Mariana Islands, the Government of the Northern Mariana Islands, in view of the importance of the ownership of land for the culture and traditions of the people of the Northern Mariana Islands, and in order to protect them against exploitation and to promote their economic advancement and self-sufficiency:

(a) will until twenty-five years after the termination of the Trusteeship Agreement, and may thereafter, regulate the alienation of permanent and long-term interests in real property so as to restrict the acquisition of such interests to persons of Northern Mariana Islands descent; and

(b) may regulate the extent to which a person may own or hold land which is now public land.

## SECTION 806

(a) The United States will continue to recognize and respect the scarcity and special importance of land in the Northern Mariana Islands. If the United States must acquire any interest in real property not transferred to it under this Covenant, it will follow the policy of seeking to acquire only the minimal area necessary to accomplish the public purpose for which the real property is required, of seeking only the minimum interest in real property necessary to support such public purpose, acquiring title only if the public purpose cannot be accomplished if a lesser interest is obtained, and of seeking first to satisfy its requirement by acquiring an interest in public rather than private real property.

(b) The United States may, upon prior written notice to the Government of the Northern Mariana Islands, acquire for public purposes in accordance with federal laws and procedures any interest in real

property in the Northern Mariana Islands by purchase, lease, exchange, gift or otherwise under such terms and conditions as may be negotiated by the parties. The United States will in all cases attempt to acquire any interest in real property for public purposes by voluntary means under this Subsection before exercising the power of eminent domain. No interest in real property will be acquired unless duly authorized by the Congress of the United States and appropriation are available therefor.

(c) In the event it is not possible for the United States to obtain an interest in real property for public purposes by voluntary means, it may exercise within the Commonwealth the power of eminent domain to the same extent and in the same manner as it has and can exercise the power of eminent domain in a State of the Union. The power of eminent domain will be exercised within the Commonwealth only to the extent necessary and in compliance with applicable United States laws, and with full recognition of the due process required by the United States Constitution.

## ARTICLE IX.—NORTHERN MARIANA ISLANDS REPRESENTATIVE AND CONSULTATION

## SECTION 901

The Constitution or laws of the Northern Mariana Islands may provide for the appointment or election of a Resident Representative to the United States, whose term of office will be two years, unless otherwise determined by local law, and who will be entitled to receive official recognition as such Representative by all of the departments and agencies of the Government of the United States upon presentation through the Department of State of a certificate of selection from the Governor. The Representative must be a citizen and resident of the Northern Mariana Islands, at least twenty-five years of age, and, after termination of the Trusteeship Agreement, a citizen of the United States.

## SECTION 902

The Government of the United States and the Government of the Northern Mariana Islands will consult regularly on all matters affecting the relationship between them. At the request of either Government, and not less frequently than every ten years, the President of the United States and the Governor of the Northern Mariana Islands will designate special representatives to meet and to consider in good faith such issues affecting the relationship between the Northern Mariana Islands and the United States as may be designated by either Government and to make a report and recommendations with respect thereto. Special representatives will be appointed in any event to consider and to make recommendations regarding future multi-year financial assistance to the Northern Mariana Islands pursuant to Section 701, to meet at least one year prior to the expiration of every period of such financial assistance.

## SECTION 903

Nothing herein shall prevent the presentation of cases or controversies arising under this Covenant to courts established by the Constitution or laws of the United States. It is intended that any such cases

or controversies will be justiciable in such courts and that the undertakings by the Government of the United States and by the Government of the Northern Mariana Islands provided for in this Covenant will be enforceable in such courts.

## SECTION 904

(a) The Government of the United States will give sympathetic consideration to the views of the Government of the Northern Mariana Islands on international matters directly affecting the Northern Mariana Islands and will provide opportunities for the effective presentation of such views to no less extent than such opportunities are provided to any other territory or possession under comparable circumstances.

(b) The United States will assist and facilitate the establishment by the Northern Mariana Islands of offices in the United States and abroad to promote local tourism and other economic or cultural interests of the Northern Mariana Islands.

(c) On its request the Northern Mariana Islands may participate in regional and other international organizations concerned with social, economic, educational, scientific, technical and cultural matters when similar participation is authorized for any other territory or possession of the United States under comparable circumstances.

## ARTICLE X.—APPROVAL, EFFECTIVE DATES, AND DEFINITIONS

## SECTION 1001

(a) This Covenant will be submitted to the Mariana Islands District Legislature for its approval. After its approval by the Mariana Islands District Legislature, this Covenant will be submitted to the people of the Northern Mariana Islands for approval in a plebiscite to be called by the United States. Only persons who are domiciled exclusively in the Northern Mariana Islands and who meet such other qualifications, including timely registration, as are promulgated by the United States as administering authority will be eligible to vote in the plebiscite. Approval must be by a majority of at least 55% of the valid votes cast in the plebiscite. The results of the plebiscite will be certified to the President of the United States.

(b) This Covenant will be approved by the United States in accordance with its constitutional processes and will thereupon become law.

## SECTION 1003

The President of the United States will issue a proclamation announcing the termination of the Trusteeship Agreement, or the date on which the Trusteeship Agreement will terminate, and the establishment of the Commonwealth in accordance with this Covenant. Any determination by the President that the Trusteeship Agreement has been terminated or will be terminated on a day certain will be final and will not be subject to review by any authority, judicial or otherwise, of the Trust Territory of the Pacific Islands, the Northern Mariana Islands or the United States.

## SECTION 1003

The provisions of this Covenant will become effective as follows, unless otherwise specifically provided:

(a) Section 105, 201-203, 503, 504, 606, 801, 903 and Article X will become effective on approval of this Covenant;

(b) Sections 102, 103, 204, 304, Article IV, Sections 501, 502, 505, 601-605, 607, Article VII, Sections 802-805, 901 and 902 will become effective on a date to be determined and proclaimed by the President of the United States which will be not more than 180 days after this Covenant and the Constitution of the Northern Mariana Islands have both been approved; and

(c) The remainder of this Covenant will become effective upon the termination of the Trusteeship Agreement and the establishment of the Commonwealth of the Northern Mariana Islands.

## SECTION 1004

(a) The application of any provision of the Constitution or laws of the United States which would otherwise apply to the Northern Mariana Islands may be suspended until termination of the Trusteeship Agreement if the President finds and declares that the application of such provision prior to termination would be inconsistent with the Trusteeship Agreement.

(b) The Constitution of the Northern Mariana Islands will become effective in accordance with its terms on the same day that the provisions of this Covenant specified in Subsection 1003(b) become effective, provided that if the President finds and declares that the effectiveness of any provision of the Constitution of the Northern Mariana Islands prior to termination of the Trusteeship Agreement would be inconsistent with the Trusteeship Agreement such provision will be ineffective until termination of the Trusteeship Agreement. Upon the establishment of the Commonwealth of the Northern Mariana Islands the Constitution will become effective in its entirety in accordance with its terms as the Constitution of the Commonwealth of the Northern Mariana Islands.

## SECTION 1005

As used in this Covenant.

(a) "Trusteeship Agreement" means the Trusteeship Agreement for the former Japanese Mandated Islands concluded between the Security Council of the United Nations and the United States of America, which entered into force on July 18, 1947;

(b) "Northern Mariana Islands" means the area now known as the Mariana Islands District of the Trust Territory of the Pacific Islands, which lies within the area north of 14° north latitude, south of 21° north latitude, west of 150° east longitude and east of 144° east longitude;

(c) "Government of the Northern Mariana Islands" includes, as appropriate, the Government of the Mariana Islands District of the Trust Territory of the Pacific Islands at the time this Covenant is.

signed, its agencies and instrumentalities, and its successors, including the Government of the Commonwealth of the Northern Mariana Islands;

(d) "Territory or possession" with respect to the United States includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam and American Samoa;

(e) "Domicile" means that place where a person maintains a residence with the intention of continuing such residence for an unlimited or indefinite period, and to which such person has the intention of returning whenever he is absent, even for an extended period.

Signed at Saipan, Mariana Islands on the fifteenth day of February, 1975.

FOR THE UNITED STATES OF AMERICA,  
AMBASSADOR F. HAYDN WILLIAMS,  
*Personal Representative of the  
President of the United States.*

FOR THE PEOPLE OF THE NORTHERN  
MARIANA ISLANDS,  
EDWARD DLG. PANGELINAN,  
*Chairman, Marianas,  
Political Status Commission.*

VICENTE N. SANTOS,  
*Vice Chairman, Marianas,  
Political Status Commission.*

**Members of the Marianas Political Status Commission:**

Juan L. G. Cabrera, Vincente T. Camacho, Jose R. Cruz,  
Bernard V. Hofschneider, Benjamin T. Manglona,  
Daniel T. Muna, Dr. Francisco T. Palacios, Joaquin I.  
Pangelinan, Manuel A. Sablan, Joannes R. Taimanao,  
Pedro A. Tenorio.

U.S. DEPARTMENT OF THE INTERIOR,  
OFFICE OF THE SECRETARY,  
*Washington, D.C., July 11, 1975.*

HON. JAMES A. HALEY,  
*Chairman, Committee on Interior and Insular Affairs, U.S. House of  
Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: This responds to your request for the views of this Department on H.J. Res. 549, a bill "To approve the 'Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America,' and for other purposes."

We strongly recommend that the first section of H.J. Res. 549, which contains the Covenant and the Joint Resolution approving the Covenant, be enacted. We have not had sufficient time to arrive at an Administration position on sections 2 and 3 of the bill, and we are currently expediting that process. We hope that we will be able to advise the Committee of our views on these two sections by July 18, 1975.

On July 1, 1975, the President submitted to both House of Congress for their approval a "Joint Resolution Approving the 'Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America.'" The first section of H.J. Res. 549 is the Joint Resolution and the Covenant as transmitted by the President.

On June 17, 1975, the people of the Northern Mariana Islands voted in a plebiscite to approve the Commonwealth status as set forth in the Covenant. This plebiscite represented the capstone to more than twenty years of local efforts by the people of the Northern Mariana Islands to become a permanent part of the United States.

The Covenant Agreement in section 1 of H.J. Res. 549 was signed on February 15, 1975, by the Marianas Political Status Commission for the Northern Mariana Islands, and by Ambassador F. Haydn Williams for the United States. It is the result of more than two years of negotiations between the United States and a broadly representative delegation from the Northern Mariana Islands.

Favorable consideration of the Covenant by the Congress will represent one more important step toward fulfillment of the obligations which the United States undertook when the Congress approved by joint resolution the United Nations Trusteeship Agreement on July 18, 1947. Congressional approval of the freely expressed wish of the people of the Northern Mariana Islands will enable them to move toward their long sought goal of self-government in political union with the United States.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely yours,

ROYSTON C. HUGHES,  
*Assistant Secretary of the Interior.*

CHANGES IN EXISTING LAW

House Joint Resolution 549 amends no existing laws.

INFLATIONARY IMPACT

The expenditures authorized involve necessary government expenditures in remote areas. It is the sense of the Committee that these outlays will not cause any inflationary impact.

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## COVENANT TO ESTABLISH A COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS IN POLITICAL UNION WITH THE UNITED STATES OF AMERICA

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JANUARY 27, 1976.—Ordered to be printed

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Mr. SPARKMAN, from the Committee on Foreign Relations,  
submitted the following

### REPORT

together with

### MINORITY and ADDITIONAL VIEWS

[To accompany H.J. Res. 549]

The Committee on Foreign Relations and the Committee on Armed Services to which was referred jointly the joint resolution (H.J. Resolution 549).

To approve the Covenant to establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America, and for other purposes having considered the same, report favorably thereon and recommends that the joint resolution do pass as follows:

(1) With an additional amendment by the Committee on Foreign Relations; and

(2) Without further amendment by the Committee on Armed Services.

#### PURPOSE OF HOUSE JOINT RESOLUTION 549

The purpose of House Joint Resolution 549 is to give Congressional approval to a Covenant which has been drawn up and agreed to by the United States Government and the Marianas Political Status Commission. Among other things the Covenant will provide progressively for: the creation of the Commonwealth of the Northern Mariana Islands within the American political system; a local constitution drafted and approved by residents of the Islands; local self-

government excepting the handling of foreign relations and military affairs, and the granting of American citizenship for qualified residents of the Commonwealth who desire it. The Covenant defines the future relationship between the Northern Mariana Islands and the United States and will be mutually binding when approved by the latter, the former already having done so. Although described as a commonwealth, the relationship is territorial in nature with final sovereignty invested in the United States and plenary legislative authority vested in the United States Congress. The essential difference between the Covenant and the usual territorial relationship, such as that of Guam, is the provision in the Covenant that the Marianas constitution and government structure will be a product of a Marianas constitutional convention, as was the case with Puerto Rico, rather than through an organic act of the United States Congress.

#### BACKGROUND OF THE TRUST TERRITORY OF THE PACIFIC ISLANDS

The Northern Marianas consist of 21 small islands six of which are inhabited and 14 of which are large enough to be identified by name. Altogether they measure 184 square miles compared to Guam's 209. Together with Guam, a U.S. territory with 100,000 American citizens living on it, they form a western Pacific entity known as the Mariana Islands. The Marianas archipelago is one of three making up the Trust Territory of the Pacific Islands, a United Nations trusteeship under United States administration, the other two being the Carolines and the Marshall Islands.

Saipan, Tinian and Rota, in that order, are the three largest islands of the Northern Marianas and most of the archipelago's 14,500 population lives on one or the other. The great majority of the people are Chamorros, the same as the 60,000 Chamorros of Guam who are American citizens. About half of the remainder of Guam's 100,000 population are civilian and military personnel from the mainlands and the rest are from other Asian and Pacific nations.

Geographically the Marianas are closer to Asia than to the United States. Extending northward from Guam 400 miles, they come to within 1,250 miles of Tokyo. They are 1,500 miles from Manila, 3,300 from Honolulu and 5,400 from San Francisco.

Since World War II, during which Guam, Saipan, Taiwan and various other Micronesian islands were won from the Japanese, the Northern Marianas have been administered by the United States. Since 1947, they have formed part of the Trust Territory of the Pacific Islands under a United Nations Trusteeship Agreement. That agreement placed under the United Nations trusteeship system about 2,100 tiny islands which amount in size to 700 square miles or an area somewhat less than half of Rhode Island. Including the Northern Marianas 14,500 people, these Micronesian islands altogether have a population of 115,000 divided into six distinct ethnic groups which speak at least nine different languages.

Some older Micronesians can remember four alien administrations. The Spanish period began with Magellan's discovery of the Mariana Islands in 1521. German influence began in the mid-nineteenth century. Guam was ceded to the United States in 1898 at the end of the Spanish-American War and the rest of the Mariana Islands and the Carolines

were sold to the Germans the next year under a separate agreement. The Japanese took Micronesia from Germany in 1914 and the League of Nations formally mandated its administration to Japan in 1920. The Japanese colonized and fortified parts of Micronesia and during the war some of the islands became crucial battlegrounds.

Micronesia was one of eleven territories in the United Nations trusteeship system and the only one now remaining. The agreement designating the Trust Territory of the Pacific Islands as a strategic trust was approved by the Security Council of the United Nations in April 1974. One of the distinguishing features of a "strategic trusteeship" is that given the nature of the special security considerations of the territory, the Security Council instead of the Trusteeship Council exercises all functions of the Organization with regard to these areas. The Security Council, however, may avail itself of the assistance of the Trusteeship Council in handling political, economic, social and educational matters in the strategic areas.

For the other ten trust territories, the General Assembly exercised the approval, alteration or amendment of the trusteeship agreements. Under Article 83 of the United Nations Charter, these are performed by the Security Council. The Article reads:

#### *"Article 83*

"1. All functions of the United Nations relating to strategic areas, including the approval of the terms of the trusteeship agreements and of their alteration or amendment, shall be exercised by the Security Council.

"2. The basic objectives set forth in Article 76 shall be applicable to the people of each strategic area.

"3. The Security Council shall, subject to the provisions of the trusteeship agreements and without prejudice to security considerations, avail itself of the assistance of the Trusteeship Council to perform those functions of the United Nations under the trusteeship system relating to political, economic, social, and educational matters in the strategic areas."

U.S. TS 993; 59 Stat. 1031, 1050.

Article 76 provides the basic objectives of the trusteeship system including: (a) the furtherance of international peace and security, (b) the promotion of the political and social advancement of the inhabitants of the trust territories including "progressive development toward self-government," the encouragement of respect for human rights, and the insurance of equal treatment.

Micronesia was divided into six U.S. districts of which the Northern Marianas is one. The U.S. Navy administered the Trust Territory in Micronesia until 1951 when administration was transferred to the Department of the Interior. The Northern Marianas, however, were again administered by the U.S. Navy from 1952 to 1962.

Since the creation of the Trust Territory of the Pacific Islands, United States policy has been to consider any new status for Micronesia on a territory-wide basis and not to engage in separate discussions about the future status of individual districts within the Trust Territory. An exception to that policy has been U.S. acceptance of a request

by the Marianas in 1972 to enter into separate status negotiations for the reasons given in the following section.

There is no fixed date for termination of the U.S. trusteeship in Micronesia. Consistent with the U.N. Trusteeship Agreement, however, the United States does not intend to terminate the trusteeship until it has fulfilled its responsibilities to all districts in Micronesia and has appropriately provided for the future status of the Trust Territory as a whole.

In accordance with Article 83 of the United Nations Charter and subsequent resolutions adopted by the Security and Trusteeship Councils, the latter oversees functions relating to the political, economic, social and educational advancement of the inhabitants of the Trust Territory of the Pacific Islands. The United States, a member of the Trusteeship Council, submits to it annual reports on its administration of the Trust Territory. The Trusteeship Council, in turn, submits reports annually on it to the Security Council. To date the Security Council has taken no action with respect to the Trust Territory beyond noting the receipt of the Trusteeship Council's annual reports.

The Trusteeship Council currently has five members: United States, United Kingdom, France, Soviet Union and the People's Republic of China, but China has not taken its seat. Australia was a member until September 16, 1975 when it relinquished its seat upon the attainment of independence of the Australian-administered Trust Territory of Papua New Guinea.

According to Mr. Robert S. Ingersoll, Deputy Secretary of State, the Trusteeship Council has expressed the hope that the peoples of the Trust Territory of the Pacific Islands would find it possible to remain in unity following termination of the trusteeship. The Council has also recognized, however, the repeated requests of the Northern Marianas for a status separate from the rest of Micronesia and in closer union with the United States than the more distant and less permanent relationship contemplated by representatives of the other districts of the Trust Territory.

#### HISTORY OF THE MARIANAS COVENANT

Mr. Ingersoll further testified that the United States had also supported for many years the principle that the peoples of the Trust Territory should remain united following termination of the trusteeship.

In 1969 the United States entered into negotiations with the Joint Committee on Future Status of the Congress of Micronesia, comprised of representatives of all the districts of the Trust Territory including the Northern Marianas, with a view to reaching agreement on a future political status for the Trust Territory as a whole. Agreement eluded the conferees. In August 1970, the Congress of Micronesia rejected a U.S. offer of Commonwealth status and has since sought a different and less close relationship with the United States than that sought by the Northern Mariana Islands. When it became clear that it would not be possible to negotiate an agreement on a future political status that would be acceptable to all the peoples of the Trust Territory, the United States agreed to enter into separate

negotiations with the representatives of the Northern Mariana Islands looking toward union with the United States.

Negotiations with Marianas Political Status Commission, which was established by the Marianas District Legislature to conduct the negotiations on its behalf, began in December 1972 and concluded on February 15, 1975 with the signing of the Covenant which was submitted to the people of the Marianas in a plebiscite on February 20, 1975. The Covenant was approved in the Marianas by a favorable vote of 78.8 percent. Ninety-five percent of the people of the Marianas eligible to vote were registered and 95 percent of these voted in the plebiscite.

The administrative separation of the Marianas from the rest of the Trust Territory will be initiated soon after the Covenant is approved by the United States Congress. Next, a constitution for the Marianas will be drafted at a Constitutional Convention. Once final approval has been obtained from that body it will be submitted to a referendum in the Marianas and then will be made subject to approval of the United States Government. United States approval will be the signal for elections of a new government and for the financial provisions of Article VI of the Covenant to become effective. At the time that the Trusteeship Agreement with the United Nations is terminated the President will issue a proclamation establishing the Commonwealth of the Northern Mariana Islands. According to documentation supplied to the Foreign Relations Committee, the Department of State recognizes it is obligated to seek Security Council approval of the termination of the trusteeship agreement.

#### TERMS OF THE COVENANT

Because most of the ten Articles of the Covenant provide for the welfare and self-government of the peoples of the Northern Mariana Islands, they are of primary concern to the Committee on Interior and Insular Affairs. Some, however, have provisions or clauses that are of particular concern to the Foreign Relations and Armed Services Committees.

The Covenant contains ten Articles, the highlights of which follow:

- I. *Political Relationship* to be a self-governing Commonwealth under the sovereignty of the United States which will have complete authority over foreign affairs and defense matters.
- II. *Constitution* to be formulated for a republican form of government similar to that of United States.
- III. *Citizenship* to be conferred at time the Presidential Proclamation to terminate Trusteeship Agreement is promulgated to those qualified Marianans desiring it.
- IV. *Judicial Authority* to be divided between the judiciary established by the Mariana Constitution and a District Court which will be part of the same U.S. judicial circuit as Guam.
- V. *Applicability of Laws* of the United States, as the Congress may determine, except in specific cases.
- VI. *Revenue and Taxation* provisions apply United States income taxes and customs duties but the Island government may levy additional taxes and the Northern Marianas will



not be included within the Customs Territory of the United States. All taxes and duties will be rebated for use by the Mariana government but in the case of the latter, only if they are subsequently applied by the United States.

VII. *U.S. Financial Assistance* in the form of grants of \$14 million for seven years for budgetary support and development; to be increased per the Consumer Price Index and to be continued after the original seven years as Congress provides.

VIII. *Property* to be available through an option lasting five years for the United States to lease for 50 years various sites to enable it to carry out its defense responsibilities.

IX. *Representation* for the Marianas in the United States if provided for by the Mariana constitution.

X. *Effective Dates* provide for a phasing in of the provisions with some becoming effective upon Congressional approval of the Covenant, others within 180 days of approval of the Mariana constitution, and the rest upon the termination of the Trusteeship Agreement.

#### SECTION-BY-SECTION ANALYSIS OF RELEVANT ARTICLES OF THE COVENANT

Half of the ten Articles of the Covenant contain provisions relating to either the handling of foreign relations or to the national security of the United States. These are:

*Article I.* "Political Relationship" consists of five sections, the first of which establishes the Northern Marianas as a self-governing Commonwealth in political unity with and under the sovereignty of the United States. Section 104 gives the United States complete responsibility with respect to matters relating to foreign affairs and national defense.

*Article VI.* "Revenue and Taxation" provides for the financing of the government of the Northern Marianas through the rebate of the United States income, customs and excise taxes and permits the Northern Mariana Islands to levy duties on goods imported into its territory from any area outside the customs territory of the United States and to impose duties on exports from its territories.

Section 603(d) of Article VI says; "The Government of the United States will seek to obtain from foreign countries favorable treatment for exports from the Northern Mariana Islands and will encourage other countries to consider the Northern Mariana Islands a developing territory."

Section 605 exempts the property of the United States and the household and other personal property of its military or civilian personnel from customs duties. It also provides specifically that the Soldiers and Sailors Relief Act of 1940 applies to the Northern Mariana Islands so as to make clear that this Article does not supersede the Act of 1940.

*Article VIII,* "Property" provides that, if a five-year option is exercised, the following property is to be made available to the United States by lease to enable it to carry out its defense responsibilities:

On Tinian Island 17,799 acres for \$17.5 million;

On Saipan Island 177 acres at Tanapag Harbor for \$2 million; and

All of Farallon de Medinilla Island for \$20,600.

This lease will be for 50 years with a 50-year renewal option without additional charge. The US affirms that it has no present need for or desire to acquire any greater interest in property than that listed above.

Section 804(b) of Article VIII provides that the air field facilities at Isley Field, developed with federal aid, will be available to the United States for use by its military aircraft without charge although the US Government assumes the responsibility of paying a reasonable share proportionate to use to the costs of operating and maintaining the facilities.

*Article IX.* "Northern Marina Islands Representative and Consultation" stipulates under Section 904(a) that the government of the US will give sympathetic consideration to the views of the Northern Mariana Islands on international matters directly affecting the Northern Mariana Islands.

Under Section 904(b) the United States promises to help the Commonwealth establish offices in the US and abroad to promote the economic, cultural or tourist interest of the Islands to participate in regional and other international organizations concerned with social, economic, educational, scientific, technical and cultural matters when similar participation is authorized for any other U.S. territory or possession.

*Article X.* "Approval, Effective Dates, and Definitions" establishes *inter alia* for making effective the various provisions of the Covenant. Some become effective immediately upon approval by the Congress, others within 180 days after the President approves the Commonwealth's Constitution, and the rest upon the termination of the United Nations Trusteeship Agreement.

#### FOREIGN RELATIONS AND ARMED SERVICES COMMITTEES ACTIONS AND RECOMMENDATIONS

##### LEGISLATIVE HISTORY

H.J. Res. 549 was introduced in the House of Representatives on July 10, 1975. After a single day of hearings and a favorable report by the House Interior and Insular Affairs Committee, H.J. Res. 549 passed the House by voice vote. The Senate Interior and Insular Affairs Committee then held a hearing on H.J. Res. 549 and reported it favorably to the Senate with an amendment.

On October 22, 1975 H.J. Res. 549 was referred to the Senate Armed Services and Foreign Relations Committees, jointly, for a period not to extend beyond December 3, 1975. This reporting date was subsequently extended to January 27, 1976.

##### FOREIGN RELATIONS COMMITTEE HEARINGS

The Foreign Relations Committee held hearings on November 5. Testifying at the sessions were the Honorable Robert Ingersoll, Deputy Secretary of State, Ambassador F. Haydn Williams, the Presi-

dent's personal representative for Micronesian Status Negotiations, Rear Admiral William J. Crowe, Regional Director for East Asia and Pacific Affairs of the Department of Defense, Mr. Erwin D. Canham, Plebiscite Commission for the Marianas, and delegations from the Marianas Political Status Commission and the Congress of Micronesia.

These spokesmen for the Administration emphasized two central issues. First, approval of the Covenant will fulfill an international obligation under the United States trusteeship arrangement. Second, it will strengthen the national security of the United States in the Western Pacific. The Administration claims that the people of these islands have for over a generation expressed their desire to join in political union with the United States and that this Covenant will allow them to do so as a self-governing Commonwealth with the Marianas people becoming American citizens, governed under their own constitution, not as a colony but as an unincorporated territory of the United States. The Covenant, it is claimed, is not a treaty or an executive agreement but instead a federal relations act which follows previous federal legislation regulating the federal government's relations with other continental territories within the United States itself. Unlike these territories, however, this one has certain international aspects to it. The Administration considers that the Covenant helps fulfill American international obligations under the United Nations Charter and the Trusteeship Agreement. Furthermore the implementation of the Covenant would unite the Chamorro people of Guam and the Northern Marianas in common citizenship under one flag.

At the same time, the Administration feels that the Agreement is mutually beneficial. Its witnesses affirmed that the United States not only is a Pacific power (with Alaska and Hawaii extending territorial responsibilities far into that ocean), but that it intends to remain so. Guam, long a United States territory, houses important military bases essential to the nation's defense. Its isolated position will better be protected by the land lease arrangements on Tinian and Saipan. Equally important, to promote the cause of peace and stability in the Pacific Ocean, the Marianas must be denied to others. If the Northern Marianas were to separate from the United States under some other political arrangement, they could freely negotiate a lease of their lands to some other Pacific powers. Finally, although no expansion of the training and storage facilities is presently planned, the fifty year renewable lease of over 18,000 acres provides for such if necessary. It should be noted here that the Defense Department has \$1 million in its FY 1976 budget in order to plan for the improvement of the harbor and air bases there.

The delegation from the Northern Marianas, headed by Senator Pedro Tenorio, Chairman of the Marianas Political Status Commission, explained that the people of the Northern Marianas welcomed the Covenant because they have long desired union with the United States either through re-unification with Guam, by annexation by the state of Hawaii or through the proposed commonwealth status. Since the rest of the Trust Territory presently does not desire to end the trusteeship by becoming part of the United States, the Marianas consider this Covenant an expedient arrangement. They emphasize that it is not a colonial relationship and that they are willing to make sacrifices for the benefits they are to receive, such as the long-term

lease of their scarce land. Furthermore, they argue that a delay of approval of the Covenant means a denial of their right to self-government.

The Congress of Micronesia representatives, led by Mr. Bethwell Henry, Speaker of the House of Representatives of the Congress, gave qualified support to the Covenant. The Congress of Micronesia does not oppose in principle the expressed desire of the people of the Marianas to separate from Micronesia and enter into political union with the United States. However, they consider essential to the faithful discharge of an American international obligation that this separation be effected in a manner which protects the interests of the remaining districts and which preserves the ability of those districts to exercise their right of self-determination.

The view of the Congress of Micronesia is that the Resolution before the United States Congress leaves unsettled several major problems implicit in the separation of the Mariana Islands from the Trust Territory. Some of these issues were the status of the present Trust Territory capital, now located on Saipan, if and when the Marianas become self-governing. Another was the taxing and regulatory authority over the personnel or property of the Trust Territory government until its capital could be relocated. Other major issues to be resolved in advance of separation would be the financial provisions of the two separate governments and their competing or overlapping spheres of government authority and administration. In sum, while the Congress of Micronesia does not object to the Covenant, it would withhold full approval until it has certain guarantees from the Northern Marianas and the United States on these fiscal and administrative matters.

Arguments on the other side were heard at the Foreign Relations Committee meeting from Senator Gary Hart, Mr. Donald McHenry of the Carnegie Endowment for International Peace and Mr. Jose A. Cabranes, Counsel of the International League for the Rights of Man. At the Armed Services hearings twelve days later Mr. McHenry reappeared and raised some additional questions regarding the importance of the Marianas to the national defense structure.

During the hearings and the Committee meetings that followed some discussion ensued on the costs and obligations of the Covenant versus the rewards. Senator Hart called it an open-ended seven-year authorization bill which does not even allow for Congressional oversight or for the return of unspent monies to the Treasury.

Other witnesses, opposed to approving the Covenant, asked that it be studied at greater length to evaluate all of its implications. For example, how much credence can be given to the 78 percent vote in favor of the Covenant on the Marianas considering the obvious financial advantages being offered them by the United States and the fact that they had no alternative but to accept or reject it. According to these critics, the Marianas were offered rather handsome financial awards for accepting but were not offered the alternative of independence or free association if they did not. In addition they asked, since the Covenant offers step-by-step Commonwealth status, would the people of the Marianas still be content with the terms being offered today when its final provisions come into effect sometime in the 1980s. They inquire if perhaps these people will not then demand better con-

ditions, such as statehood or independence, and perhaps find among themselves a few individuals who would resort to violence to obtain either of these objections.

Opponents also claim that the covenant will take the only desirable piece of Pacific Ocean real estate in Micronesia for the military use of the United States and will make the nation vulnerable to charges of "colonialism" from all quarters.

One critic called it "an anachronistic demonstration of neo-colonialism," pointing out that it gives the Marianans citizenship but not all of the constitutional rights that mainland citizens enjoy, such as voting for the United States president. On the other hand, it restricts mainland American citizens from exercising full property and business rights on the islands. More importantly, the granting of American citizenship would make future independence of the archipelago almost impossible inasmuch as the Courts have decided that American citizenship cannot be withdrawn without specific legislation or a constitutional amendment.

Going from domestic legalities to international law practices, opponents of the new arrangements insist that the self-determination clause of the United Nations Articles does not embrace secession; that fragmentation or dismemberment of a Trust Territory had never been considered to be part of the process of decolonization. In other words, the people of the Northern Marianas constitute less than 13 percent of the Trust Territory and cannot be said to have the "right" of self-determination separate and apart from the other peoples of the Trust Territory.

Involved in this is whether the emphasis put on the rights of the individual "peoples" of Micronesia to find separate solutions to the final dissolution of the Trusteeship would not come back to haunt the United States in the United Nations.

Specifically, South Africa has made the point that individual ethnic groups should have the right to form independent "homeland" nations in Namibia (South West Africa) and in South Africa itself. The United States might find itself embarrassed in the United Nations in future years should South Africans again use this contentious argument.

With respect to the United Nations, these critics of the proposed Commonwealth reminded the Committees that Article 83 of the United Nations Charter calls for Security Council approval for any "alteration or amendment" to the agreement. Furthermore, the Covenant fails to provide for notifying the United Nations of United States' intentions to terminate the arrangement nor does it make any specific provisions for termination of the trusteeship. If the United States terminates unilaterally, they claim it would be violating the trusteeship arrangement. When it puts before the Security Council its termination arrangements, whatever they might be in the 1980s, they could at that time, given the nature of that body, be vetoed by one of the Security Council major powers or even could be voted down by a coalition of the lesser powers then on the Council on a rotating basis.

As for the remaining districts of the Trust Territory of the Pacific Islands, the Covenant puts them at a severe disadvantage. It would appear, according to these opponents that the United States is doing so because they have the temerity to insist on a free association which

fully meets United Nations' criteria, or because they demand the right to terminate unilaterally such a relationship.

Some critics also maintained that while the Covenant may be desirable from the point of view of the Northern Marianans a convincing case has not been made that it is in the national interest of the United States to approve the Covenant.

While many of these arguments pro and con were repeated before the Armed Services' General Legislative Subcommittee, that body concentrated on the military and strategic aspects of the proposal.

#### FOREIGN RELATIONS COMMITTEE ACTION

The Foreign Relations Committee considered H.J. Resolution 549 on November 13 and 20 and requested at the end of the second business meeting to have the report deadline extended. This was arranged to be done through January 27, 1976, for both itself and the Armed Services Committee. At the November 20, 1975 session the Members discussed two amendments introduced by Senators Pell and Percy. The latter would have approved the Covenant but would have postponed its implementation until such time as agreements covering the entire Trust Territory of the Pacific Islands could be presented for Congressional consideration.

The Pell Amendment's purpose was to recognize the desire of the Northern Mariana Island people to enjoy self-determination, but to declare that it is the sense of the Congress that the obligation of the United States to promote the development of the peoples of the Trust Territory of the Pacific Islands towards self-government or independence can best be accomplished by the submission to the Congress for its consideration of an agreement or agreements resolving the political status of all of the Trust Territory rather than on an individual basis.

In order to give these two proposals the study they deserved the aforementioned extension for reporting the resolution was requested and granted. That period of time permitted Senator Griffin to visit Guam and Saipan in the company of Senators Ernest F. Hollings, John C. Culver and Howard H. Baker, Jr. The last had previously been a member of the Committee. In addition, Senator Percy's Foreign Relations Committee staff assistant, Dr. Peter Poole, spent a week visiting Japan, Guam and Saipan before the next Committee business meeting was convened on January 20, 1976.

The reasons for approving the Covenant presented to Senators Griffin and Percy, therefore, had a telling effect on the considerations of the entire Committee. Despite arguments that the United States should be contracting rather than expanding its international obligations and that it should not treat part of the Trust Territory separately, Senator Griffin pointed out that after flying over the vast expanses of the Pacific Ocean to get there, he could see no reason why the various island groups such as the Marshalls, the Carolines and the Marianas should be united. Not only were the distances immense between them but so were their linguistic, ethnic and political differences. Furthermore, he said members of the Congress of Micronesia, whom he met while on Saipan and representing all six districts of the Trust Territory, had agreed that this step was a logical one.

Senator Griffin had also been greatly impressed by the fervor of the people of the islands to be part of the United States. For him the vote of 78.8 percent of the eligible electorate in favor of the Covenant signified the culmination of 25 years of work towards achieving a status comparable to that which fellow chamorros on Guam presently enjoy. Mr. Griffin told the Committee he believed that the geographic and ethnic ties of these Mariana Islands would eventually lead to a consolidation or merger between Guam and the northern islands.

Seeing two Senators from the Congress of Micronesia in the audience, Senator Griffin asked permission to have them address themselves to these points. Senator Edward Pangelinan, Chairman of the Marianas Political Status Commission, took the opportunity to discuss the terms of the United Nations trusteeship agreement. He pointed out that such language makes clear that the governing state has the obligation to develop the territory politically for independence or self self-government. The Northern Marianas have taken the second choice after three and a half years of negotiations on the terms. The rest of the Trust Territory districts have not come to a final decision but appear to want either independence or a looser association. Six months ago in what the Micronesian chairman described as "perhaps the most democratically held plebiscite throughout the world," and one which had been observed by a United Nations Visiting Mission, the Covenant was overwhelmingly accepted. Mr. Pangelinan stressed that the islands are ready for self government and that it meets the interests of both the United States and the islands to accept the Covenant.

Mr. Pedro A. Tenorio, a senator representing the Marianas in the Congress of Micronesia who had previously testified before all three U.S. Senate Committees at their respective hearings, added that the other five districts of Micronesia had refused an offer of commonwealth status. Because the Marianas leaders wanted this arrangement, separate negotiations were started. While those have been concluded, negotiations with the other five districts are still suspended. A delay by the Senate of the Covenant would be interpreted, said Senator Tenorio, negatively by the other Micronesian negotiators.

Another persuasive argument was presented by Senator Charles Percy as a result of Dr. Poole's visit to Japan to talk with Foreign Ministry officials there. Senator Percy's conclusions from Dr. Poole's report and from his own long experience in Pacific and United Nations affairs were as follows:

1. The partnership of Japan and the United States is the cornerstone of U.S. policy in East Asia and the Pacific;
2. One of the bases on which this partnership rests is the continuing stability of U.S. relations with the peoples of Micronesia, including the Marianas;
3. However, this stability in turn depends on the earliest possible self-determination of the Micronesian peoples;
4. Thus, the Foreign Relations Committee warmly welcomes the recent drafting of a Micronesian Constitution as an historic step toward self-determination for Micronesia, even as we now celebrate the bicentennial of our own nation's independence;

5. The Foreign Relations Committee also welcomes the unequivocal decision of the Northern Marianas people to seek self-determination within the United States' family;

6. The Committee believes it to be in the interest of all parties concerned to resolve outstanding issues regarding the free association of the five remaining districts of Micronesia—Palau, Ponape, Truk, Yap, and the Marshall Islands—with the United States with all due speed; and

7. The Committee therefore intends to monitor the negotiations for the Free Association Compact with these remaining districts of Micronesia to assure itself that we are, as a nation, fulfilling our responsibilities in as expeditious a manner as possible.

Notwithstanding the arguments in favor of approving the Covenant, Senator Pell repeated some of the aforementioned reasons why the Committee should not do so. In particular, he stated it was his firm belief that instead of adding to its international responsibilities by taking on its first territorial acquisition since 1917, the United States should be contracting its international obligations. He said that while the Covenant may be desirable from the point of view of the archipelago's people, Administration negotiators and other proponents, no convincing case had been made that the Covenant would serve U.S. national interests.

Furthermore, stated Mr. Pell, the Covenant violates certain aspects of those international agreements embodied under the trusteeship arrangements. He asked the Members to consider, for example, Principle VIII of General Assembly Resolution 1541 which reads as follows:

#### *Principle VIII*

Integration with an independent State should be on the basis of complete equality between the peoples of the erstwhile Non-Self-Governing Territory and those of the independent country with which it is integrated. The peoples of both territories should have equal status and rights of citizenships and equal guarantees of fundamental rights and freedoms without any distinction or discrimination; both should have equal rights and opportunities for representation and effective participation at all levels in the executive, legislative and judicial organs of government.

#### FOREIGN RELATIONS COMMITTEE AMENDMENT

Inasmuch as the Marianans would not be allowed to vote under the Covenant for federal officials, such as the president of the United States, he asserted they would not be "enjoying equal rights and rights of citizenship" nor would there be complete equality between the peoples of the erstwhile Non-Self-Governing Territory and those of the independent country with which it is integrated." For these reasons Mr. Pell argued that it would be more prudent to defer judgment on Covenant until the Administration comes back with a package proposal dealing with all districts of the Trust Territory.

After some debate on this issue, during which it was pointed out that almost no self-government in history had ever arrived full-blown

ready to use and enjoy all the rights and privileges of constitutional government, Senator Javits made two proposals. One was to make clear that the United States would faithfully observe its legal and ethical obligations to the United Nations by reporting to it, whether required or not, any actions taken at this time with respect to the rest of the Trust Territory. In short, while reporting to the Security Council is mandatory in any event, full and open compliance with United Nations principles by the United States Government is the expressed wish of the Committee.

Second, because the Covenant might not give to the Marianans participation in the United States government which they may later desire and also to neutralize any argument that this was a step toward American "colonization" of part of its "trust", Senator Javits proposed giving the people of the Marianas the option to review their decision. Taking a portion of Section 902, found in Article IX, Senator Javits asked that a sense of the Congress resolution be appended to the end of the H.J. Res. 549 to read as follows:

It is the sense of the Congress that pursuant to section 902 of the foregoing Covenant, and in any case within 10 years from the date of the enactment of this resolution, the President of the United States should request on behalf of the United States the designation of special representatives to meet and to consider in good faith such issues affecting the relationship between the Northern Mariana Islands and the United States as may be designated by either Government and to make a report and recommendations with respect thereto.

#### FOREIGN RELATIONS COMMITTEE VOTE

On the basis of this and other arguments Senator Pell asked for a recorded vote to table the Resolution which was defeated 7 to 4 with Senators Sparkman, Humphrey, Case, Javits, Scott, Percy and Griffin voting against and Senators Mansfield, Church, Pell and Clark in favor. Mr. Pell's motion to adopt a substitute amendment disapproving the Covenant without prejudice and until such time as agreements covering the entire Trust Territory came to the Congress was tabled 7 to 4 on a motion from Senator Case with the Senators voting as before. Finally, H.J. Resolution was voted to be reported out favorably 7 to 4. By a voice vote Senator Javit's sense of the Congress amendment was approved with only Senator Percy dissenting on the grounds that he was reluctant to make it appear that the United States had any indecision or doubts about giving full and final approval of the Covenant.

#### FOREIGN RELATIONS COMMITTEE RECOMMENDATION

The Senate Committee on Foreign Relations in open business session on January 20, 1976, by a seven to four vote of a quorum present recommends that the Senate adopt H.J. Res. 549 as amended as described above.

#### ARMED SERVICES COMMITTEE ACTION

##### *General Legislation Subcommittee*

The General Legislation Subcommittee of the Armed Services Committee held open hearings on H.J. Res. 549 on November 17, 1975. Appearing among other witnesses, were Mr. Robert Ellsworth, Assistant Secretary of Defense (International Security Affairs), Ambassador F. Hayden Williams, the President's personal representative for Micronesian Status Negotiations and Ambassador Robert Blake, Deputy Assistant Secretary of State (International Organization Affairs).

The Subcommittee held two further meetings in open session to deliberate on H.J. Res. 549.

In short, the Subcommittee concluded:

No crucial U.S. security interests are at stake in the Marianas; such security interests as the U.S. might have in the Marianas could be satisfied in a variety of ways other than through approval of the Covenant.

Approval of the Covenant will not contribute to U.S. economic or other interests, but on the contrary will result in economic costs and other problems for the United States.

Disposing of the Marianas at this time may cause unnecessary difficulties with the United Nations and set an unfortunate and disruptive precedent for dealing with the remaining Trust districts in Micronesia.

On January 20, 1976, the Subcommittee voted by five to two with one abstention to report favorably an amendment proposed by Senator Byrd. The Subcommittee amendment was in the nature of a substitute:

That the Congress hereby recognizes and sympathizes with the desires of the people of the Northern Mariana Islands to have and exercise the right of self-determination. The Congress also recognizes its obligation to promote the development of the peoples of the entire Trust Territory of the Pacific Islands toward self-government or independence and believes that such obligation can best be accomplished by a consideration of a plan or agreement resolving the political status of all of the Trust Territory of the Pacific Islands rather than by consideration of plans or agreements for one or more islands or groups of islands on a separate and individual basis.

The effect of the Subcommittee amendment would have been similar to the amendment proposed by Senator Pell. It would not have approved the Covenant as contained in H.J. Res. 549.

##### *Armed Services Committee*

On January 27, 1976 the full Committee met in open session to discuss and vote on H.J. Res. 549. Senator Byrd presented the Subcommittee's findings and conclusions.

After extensive deliberations the Committee concluded that it was in the best interests of the United States to report favorably H.J. Res. 549 as submitted to the Committee.



The Committee recognizes that the United States has a special obligation to provide for self-determination by the people of the Marianas as to their future political status. The people of the Marianas through the plebiscite endorsing the Covenant have expressed their wishes for U.S. commonwealth status. The United States government—executive officials as well as individual representatives of Congress—have over the years encouraged the aspirations and expectations of the Marianas people for a permanent political relationship with the United States. To deny to the people of the Marianas at this time the commonwealth status contained in H.J. Res. 549 would constitute a serious breach of faith by the United States.

The United States does have a security interest in the Marianas. The United States must remain a military power in the Pacific in order to preserve stability in the area. Acquisition of the Marianas pursuant to the proposed Covenant would help the United States maintain a credible and flexible military presence in the Pacific. Land in the Marianas could contribute to improving U.S. force readiness and would be militarily useful for training and logistics facilities. Most importantly, implementation of the proposed Covenant would ensure that use of the Marianas would be denied to foreign powers.

Approval of the Covenant would represent a natural and desirable development to enhance and support the U.S. territory of Guam. In virtually all significant respects—geographical, cultural and military—Guam and the Marianas constitute a single entity.

Thus the Committee concluded that it would be consistent with U.S. interests and responsibilities to approve the Covenant as contained in H.J. Res. 549.

Lastly, the Committee received a report from Senator Culver who had just returned from a visit to the Marianas. Based on this report, the Committee notes the absence of any suitable memorial to Americans who died in the liberation of the Marianas in World War II and strongly urges prompt action to develop a memorial park with an appropriate monument in accordance with sections 803 (e) of the Covenant and 5 B of the Technical Agreement.

#### *Armed Services Committee vote*

Senator Byrd offered a motion that the Subcommittee amendment in the nature of a substitute for H.J. Res. 549 be reported favorably to the Senate. By a vote of eight to seven the Committee rejected the Byrd amendment. Senators Stennis, Cannon, McIntyre, Byrd of Virginia, Culver, Hart of Colorado and Scott of Virginia voted in favor of the amendment. Senators Jackson, Nunn, Leahy, Thurmond, Tower, Goldwater, Taft, and Bartlett voted in opposition to the amendment.

The full Committee then by a margin of nine to six voted to report H.J. Res. 549 favorably without amendment. Senators Jackson, McIntyre, Nunn, Leahy, Thurmond, Tower, Goldwater, Taft, and Bartlett voted in favor. Senators Stennis, Cannon, Byrd of Virginia, Culver, Hart and Scott of Virginia voted in opposition.

#### ARMED SERVICES COMMITTEE RECOMMENDATIONS

The Armed Services Committee recommends that H.J. Res. 549 do pass without further amendment.

#### MINORITY VIEWS OF THE FOREIGN RELATIONS COMMITTEE

The Administration's request that the Congress give its approval to a Covenant to establish a Commonwealth of the Northern Mariana Islands in political union with the United States raises the vital question of whether, regardless of the desires of the people of the Marianas, it is in the interest of the United States to enter into such a relationship. We have serious doubts that it is in the interest of this country to do so for the following reasons:

By taking on a new territory, the first since 1917 when we acquired the Virgin Islands, we would be exchanging a temporary responsibility for the welfare and security of the Marianas, under a United Nations trusteeship agreement, for a permanent responsibility whose implications have not been adequately thought through.

Advocates of the Covenant have stressed the historic responsibility of the United States for the welfare of the people of the Marianas and the clear mandate for annexation reflected by the plebiscite held in the Marianas on the Covenant. What those advocates overlook, however, is the fact that the United States has actively—and in our view wrongly—encouraged separatist sentiments in the Marianas and ignored the preference of the rest of Micronesia to maintain the integrity of the entire Trust Territory. The advocates of the Covenant also overlook the fact that the plebiscite was a flawed expression of the will of the people of the Marianas, as alternatives such as independence or free association were not offered; and the financial benefits to be provided to the Marianas were tied to acceptance of the Covenant.

More important and more disturbing, however, is the Administration's emphasis on the strategic value of the Northern Marianas and the inclusion in the Covenant of provisions for the acquisition on a long-term basis of property which could be used for military purposes. While the Administration has declared that there are no current plans to establish a military complex in the Northern Marianas, an option to do so is being developed without a full explanation of what role is envisioned for the Northern Marianas in America's Far Eastern policy. We have seen other instances, notably in the Indian Ocean regarding Diego Garcia, where an initially small and purportedly limited American military presence has grown like topsy without the implications of that action being fully explained or justified. And we recall the Administration's earlier plans to build a \$300 million base on Tinian. Finally, there is the question of the propriety of engaging in a clearly expansionist act which flies in the face of the view of the United Nations as expressed in General Assembly resolutions 1541 and 1514 of 1960.

The first of these two resolutions sets forth twelve principles for determining whether trust territories have achieved self-government or independence as intended under the United Nations Charter.



Principle VIII dealing with whether integration with an independent State qualifies as achieving self-government, states the following:

Integration with an independent State should be on the basis of complete equality between the people of the erstwhile Non-Self-Governing Territory and those of the independent country with which it is integrated. The peoples of both territories should have equal status and rights of citizenship and equal guarantee of fundamental rights and freedoms without any distinction or discrimination; both should have equal rights and opportunities for representation and effective participation at all levels in the executive, legislative and judicial organs of government.

Since under the terms of the proposed Covenant the people of the Northern Marianas will not be able to vote for President or elect Senators and Representatives to the Congress of the United States, it cannot be said that they have been accorded "equal rights and opportunities for representation and effective participation at all levels" of government. While today, Marianans seem prepared to accept second class status as part of receiving American citizenship, what will be the attitude of future generations of Marianans?

The second resolution cited above expresses the view of the General Assembly that in providing self-government or independence to Trust Territories the "partial or total disruption of the national unity and the territorial integrity" of such areas is incompatible with the United Nations Charter. The proposed Covenant would, of course, begin a process of dismemberment and perhaps extensive fractionalization of Micronesia.

It is for these reasons that we believe the Senate should give more thoughtful consideration to the Covenant and not be rushed into a decision. The Administration has already declared its intention to delay the formal establishment of the Marianas Commonwealth until it has developed arrangements governing the future status of the rest of Micronesia and has submitted to the Security Council a proposal or proposals for all areas of the Trust Territory. The target date for accomplishing that objective is 1981.

We see no reason why the Congress should not have the same opportunity as the Security Council will have to examine a complete package for all of Micronesia rather than proceeding in a piecemeal manner. Only through a comprehensive approach can the Congress intelligently weigh the implications involved and decide what it is in the interest of the United States to do.

That is why we continue to advocate an alternative approach declaring that it is the sense of the Congress that the obligation of the United States to promote the development of the peoples of the Trust Territory of the Pacific Islands toward self-government or independence can best be accomplished by the submission to the Congress for its consideration of an agreement or agreements resolving the political status of all of the Trust Territory rather than on an individual basis.

FRANK CHURCH.  
CLAIBORNE PELL.

## MINORITY VIEWS OF THE ARMED SERVICES COMMITTEE

### SUMMARY

H.J. Res. 549 would approve the "Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America". U.S. approval of this Covenant would represent a permanent grant to the people of the Marianas of extraordinary value and proportion, bestowing precious American rights and benefits, involving significant economic costs, and affecting the future course and aspirations of the United States.

Such a valuable and sweeping grant to a foreign territory should be made only if it clearly is in the best overall interests of the United States. In the case of the Mariana Islands, however, we could find no significant U.S. interest that would justify such a grant. On the contrary, U.S. interests could be better served through a more balanced and comprehensive arrangement dealing with the future status of the entire U.S. Trust Territory of the Pacific Islands.

We have particularly examined U.S. national security interests in the Marianas since these interests have been the major U.S. justification for entering into the Covenant with the Marianas.

We found no crucial U.S. national security interests at stake in the Marianas. To the extent there are U.S. security interests in the Marianas, these interests are similar to U.S. security interests throughout all of Micronesia. In addition, U.S. security interests in the Marianas can be satisfied in a variety of ways other than through the proposed Covenant.

We could find no other major U.S. interest in the Marianas, economic or otherwise. Indeed, U.S. approval of the Covenant would constitute a substantial economic cost to the United States. Moreover, several specific provisions of the Covenant are objectionable both in cost and principle.

In originally agreeing to hold the islands of Micronesia in trust, the United States undertook an obligation to the people of Micronesia, including the Marianas, to help them toward self-determination or independence. While the United States may be flattered that the people of the Marianas have indicated a desire to become associated with the United States, there is not now—and has never been—any obligation to make the Marianas a part of the United States.

The United States has made certain commitments to the United Nations in connection with its trusteeship of Micronesia. Disposing of the Marianas prior to agreeing on the future status of the rest of Micronesia may cause unnecessary difficulties with the United Nations and set an unfortunate and disruptive precedent for dealing with the remaining Trust districts in Micronesia.

The fundamental criterion to evaluate any proposal concerning a modification of the status of the Trust Territory must be whether the proposed arrangement is in the best overall interests of the United States. The advantage to U.S. interests from making the Marianas a U.S. commonwealth—its first territorial acquisition in over fifty years—must be weighed against what the United States is providing or giving up through this particular Covenant. This is particularly true when the proposed arrangement includes such far reaching commitments as U.S. citizenship, sovereignty, and defense responsibilities. The burden of proof is on the proponents of any proposed arrangement to demonstrate its overall and long-term value to the United States.

The United States has accepted certain obligations and responsibilities in undertaking to administer the Trust Territory in the United Nations system. These obligations, along with the general goals and well-being of the people of the Marianas, cannot be ignored. But whether a proposal meets U.S. obligations to the people of the Marianas, Micronesia as a whole, or even the United Nations cannot be the primary test for choosing a future status arrangement.

#### U.S. INTERESTS AFFECTED BY HOUSE JOINT RESOLUTION 549

##### *U.S. Defense and Security interests*

In testimony before the General Legislation Subcommittee of the Armed Services Committee, witnesses from the Defense Department set forth a variety of U.S. defense interests associated with the Marianas. It was their judgment that the proposed covenant with the Marianas would fully protect and enhance these U.S. defense interests. The Covenant would provide valuable land which would be available for military purposes as well as a desirable environment from which to operate.

Although Defense witnesses mentioned many specific defense interests and objectives, they could be classified into essentially four categories:

1. Improve U.S. military credibility in Asia and the Pacific.
2. Provide a hedge and flexibility in defending existing U.S. presence in the Pacific.
3. Contribute to U.S. force readiness.
4. Deny area to other powers for military purposes.

The first category of U.S. defense interests in the Marianas was the enhancement of U.S. military credibility in Asia and the Pacific. The construction of U.S. military bases in the Marianas—although not presently planned—would constitute an additional U.S. military presence in Asia and the Pacific. This would buttress the U.S. maritime posture in the Pacific and lend support to U.S. allies by assuring freedom of transit through the area surrounding the Marianas. It was also pointed out that U.S. military bases in the Marianas would allow the United States to fulfill its responsibilities for civil air traffic control and search and rescue operations in that area.

In principle, enhancement of U.S. military credibility in the Pacific and Asia is desirable. In fact, however, U.S. military bases in the Marianas could do little to enhance meaningfully U.S. military credi-

bility. The land in the Marianas is not well suited to serve as a base for U.S. strategic forces—bombers, submarines, or missiles. Similarly, these areas in the Marianas could not be used as major operating bases for conventional forces. As contemplated by the Defense Department, the primary role of these areas if they were ever developed would be for training and logistic support.

As for protecting U.S. and allied maritime activities in the Pacific, the Marianas do not lie astride the most important commercial sea lanes in the Western Pacific. As a result, U.S. military bases in the Marianas would be of relatively minor significance in protecting important sea lanes.

The second category of U.S. defense interests associated with the Marianas was to provide a hedge and flexibility in defending the existing U.S. presence in the Pacific. Bases in the Marianas could help to defend Guam, Hawaii, Midway, Johnston Island and Wake Island. Moreover, bases in the Marianas could be a form of insurance against unforeseen U.S. basing changes elsewhere in Asia and the Pacific.

It is true that bases in the Marianas could offset to some extent the reductions in U.S. military capability that might accompany loss of U.S. basing rights in Japan, Korea, Taiwan, Philippines, etc. But Defense officials admitted that bases in the Marianas could not realistically substitute for any existing U.S. major operating bases in the Pacific and Asia.

Furthermore, U.S. bases in the Marianas would have only a marginal impact on providing for the defense of other U.S. possessions in the Pacific. A large number of U.S. military installations already exist to protect the U.S. presence in the Pacific. On the other hand, and U.S. installation in the Marianas would itself be vulnerable to attack. Approval of the Marianas Covenant would create a permanent defense commitment. Thus, rather than significantly improving U.S. defense in the Pacific, the Marianas Covenant may have the effect of adding to U.S. responsibilities in the Marianas.

In fact, acquisition of the Marianas might be construed by other nations as preparation for a U.S. withdrawal from forward-deployed installations in the Western Pacific. Such an unintended signal could tend to undermine our present foreign policy in the Western Pacific.

Any contribution that the Marianas could make to the first two categories of U.S. defense interests is of a contingent and conjectural nature. U.S. defense and foreign policy in Asia is not tied in any substantial sense to the construction of a military base in the Marianas.

The third category of U.S. defense interests that might be served by a U.S. military presence in the Marianas is more straightforward. Bases in the Marianas could help sustain U.S. combat readiness by providing a safe and convenient environment for a variety of military training exercises. Bases in the Marianas are also well suited for logistical support for forward deployments throughout Asia and the Pacific including the prepositioning of equipment and the storage of fuel and ammunition. Although the Defense Department has no present plans to construct military facilities in the Marianas, Defense officials declared that training and logistic support would be the primary missions for any future base construction in the Marianas. With the end of U.S. military activities in Southeast Asia and the increasing political pressure against U.S. military training in Asian countries, the

availability of training areas has become a serious concern to the Defense Department.

We appreciate the need for suitable training and logistic areas in order to maintain U.S. force readiness. Nevertheless, training and logistic support in the Marianas, while important, is not crucial or essential to U.S. military needs. Rather, such facilities would be convenient and useful to the U.S. defense posture. The general problem of insufficient training and support areas for U.S. forces exists throughout the world. A variety of alternative sites could serve the same function as those in the Marianas, although at a perhaps higher construction cost.

It should be pointed out that a variety of desirable but not indispensable U.S. military interests could be satisfied in other parts of Micronesia. From a military standpoint, the Kwajalein Missile Range in the Marshall Islands, where the United States has already invested over \$350 million, is probably a much more important U.S. defense asset than the proposed land acquisition in the Marianas.

The last category of defense interests in the Marianas is the denial of the area to other military powers. This is unquestionably an important U.S. defense interest which the United States should strive to preserve. This interest, however, applies to all of Micronesia. More significantly, it could be achieved—albeit less emphatically—through a variety of other means such as a status of free association between the United States and the Marianas, a direct defense treaty with the Marianas, specific agreements on U.S. basing rights, etc.

In short, a thorough review of the U.S. defense rationale for the Marianas did not persuade us that any vital U.S. defense interests were at stake. While U.S. base rights may be desirable in the Marianas, they are not essential either in a strategic or tactical sense. Even more relevant, such U.S. defense interests as there are in the Marianas could be satisfied in a variety of ways beyond granting commonwealth status to the Marianas. The Marianas are too small, too remote, and too underdeveloped to contribute substantially to the U.S. defense posture. Thus U.S. defense interests should not be a primary justification for approving the Covenant contained in H. J. Res. 549.

#### OTHER U.S. INTERESTS

Acquisition of the Marianas could serve no useful economic purpose for the United States. The Marianas lack any exportable natural resources. Due to its small population, the Marianas offer neither a major labor source or a potential market.

The largest employer in the Marianas is the government. Upwards of 75 percent of the total wage income in the Marianas during FY 1974 was from the government. Thus it will be many years in the future before the Marianas will be even self-sufficient economically.

We are unable to identify any other advantages that might flow to the United States as a result of the approval of the proposed Covenant.

#### COST OF THE MARIANAS COVENANT

The General Legislation Subcommittee requested from the Administration a detailed estimate of the total cost to the United States which would result from creating the proposed commonwealth. Un-

fortunately, no comprehensive cost estimate was available, although component costs could be identified.

Under the proposed covenant, the Marianas would receive \$19.5 million if the United States exercises its option to lease land for military purposes. This amount would be increased for inflation since July 1974. Another one-time expenditure is \$31.9 million which the Coast Guard estimates would be necessary to construct facilities in the Marianas in the event the islands become U.S. possessions.

The United States would also be required to give the Marianas in grant assistance \$14 million yearly for the next seven years. This amount would be automatically increased from the July 1974 base to make up for any inflation. The Covenant requires that this annual constant dollar payment will be paid indefinitely after the initial seven-year period unless Congress takes affirmative action to the contrary. In addition, these funds from the United States will be considered local in nature for the purpose of obtaining further federal matching funds. The \$14 million alone equates to \$1,000 constant dollars yearly for every inhabitant of the islands.

The people of the Marianas will also be eligible for a full range of federal programs and services. Administration witnesses estimate that, based on the experience in Guam, the cost of federal services to the Marianas would be roughly \$285 per person. Other information offered to the General Legislation Subcommittee, however, indicates that this cost could be vastly higher. Based on estimates of additional costs forecast by only three departments, HEW, Transportation and Agriculture, the acquisition of the Marianas could cost an additional \$12 million yearly. On this basis, the total yearly cost to the United States, excluding the one-time payments, would be about \$27.6 million a year. On a per capita basis this represents nearly \$2,000, approximately 10 times more than the average annual per capita federal payments to the states of the union.

We are concerned about this relatively high level of federal payments to the inhabitants of the Marianas, particularly in light of the tax provisions contained in the Covenant. Under the Covenant the Marianas would retain locally all duties and income taxes collected there under existing law, including the income taxes paid by federal employees and military personnel. The Covenant also allows the Marianas legislature to rebate any or all of these taxes at its own discretion. In summary, Covenant would allow the Marianas to avoid, in effect, the payment of any income taxes to the U.S. government.

We believe that these tax provisions are ill-advised and deserving of further study.

#### OTHER QUESTIONS RAISED BY THE COVENANT

In addition to the tax and revenue provisions we are also concerned about other features of the Covenant, particularly its irrevocable nature. If the Covenant is enacted into law, no change may be made to certain of its fundamental provisions without the agreement of both the United States and the future government of the Marianas.

Several sections of the Covenant raise problems which might prove detrimental to the interests of all the people of the United States. Some of these are:

Land ownership could be denied to mainland Americans for at least the first 25 years under the Covenant.

The Marianas government would have to approve the application of any future U.S. constitutional amendments to the islands.

The principle of "one man, one vote" would not apply to Marianas legislature.

The right to indictment by grand jury and trial by jury in cases of violations of Marianas law would be denied to all Americans when in the islands.

The Covenant would bind the Congress to refrain from exercising its authority without the consent of the Mariana Islands in certain enumerated areas which would otherwise be under Congressional authority through Article IV, Section 3, Clause 2 of the United States Constitution. Consent of the parties would be necessary to alter certain fundamental provisions of the Covenant such as the political relationship between the United States and the Marianas, U.S. citizenship, rights of land ownership, etc.

#### U.S. OBLIGATIONS TO THE MARIANAS AND MICRONESIA

In accepting the Trust Territory for the Pacific Islands, the United States agreed to certain obligations and responsibilities as set forth in the Trust Agreement. Among other things, these obligations include promoting the economic, social and educational advancement of the inhabitants of the Trust Territory, as well as guaranteeing security and certain basic freedoms. Of special significance, the United States undertook to promote the development of self-government or independence for the people of the Trust Territory.

For almost thirty years the United States has been working to meet these responsibilities. In particular, the United States has made a sincere effort to encourage the people of Micronesia to work out their own future political status. It should be emphasized, however, that a United States commitment to promoting self-determination or independence for Micronesia does not encompass any obligation for the United States to join in permanent political union with Micronesia or any part thereof.

U.S. obligations and responsibilities extend to the entire Trust Territory. Indeed, it is essential that the United States be even-handed in its treatment of all parts of Micronesia. Singling out the Marianas for special treatment at this time must inevitably affect the terms of future status for the remaining areas of Micronesia. To the extent this splintering off of the Marianas causes problems for the rest of Micronesia, these problems will ultimately have to be confronted by the United States. If the fragmentation of Micronesia leaves some areas unable to achieve self-determination, they will remain the responsibility of the United States. Similarly, to the extent that the United States grants political rights and privileges to the Marianas, it will constitute a strong precedent for other areas such as the Marshalls or the Carolines to insist upon a similar arrangement.

Finally, we believe there is no compelling reason to resolve immediately the future status of the Marianas. While we would favor expeditious action regarding the disposition of the entire Trust Territory, there is no urgency which requires special treatment for the Marianas at this time.

#### THE MARIANAS COVENANT AND THE UNITED STATES

The Trust Territory is the only remaining trust territory of the original 11 United Nations trusteeships. To be consistent with the spirit of the Trust Agreement the Trusteeship should be terminated at one time. Furthermore, the Trust Territory was created under the authority and with the approval of the United Nations. Article 83 of the United Nations Charter calls for Security Council approval for any "alteration or amendment" to the Trust Agreement. Thus, any termination of the Trust Territory should be pursuant to the authority of the United Nations.

The Covenant itself does not deal with the termination of the Trust Territory nor does it make any provision for notifying the United Nations. Nevertheless, the United States is rightly dedicated to terminating the Trust Territory as soon as possible. The United States intends to terminate the Trust Territory only when the future status of the entire Trust Territory has been resolved. Also, the United States intends to submit its termination scheme for the Trust Territory to the United Nations. In light of this substantial and necessary involvement of the United Nations in the termination of the Trust Territory as a whole, it would appear desirable to consider an overall plan to terminate the Trust Territory prior to taking steps to terminate a portion of the Trust Territory. In addition to allowing the Congress to be better informed generally, development of an agreement covering the disposition of the entire Trust Territory could reduce the uncertainty surrounding future action by the United Nations with regard to the Trusteeship.

JOHN C. STENNIS,  
HOWARD W. CANNON,  
HARRY F. BYRD, JR.,  
GARY HART,  
WILLIAM L. SCOTT.

## ADDITIONAL VIEWS OF THE ARMED SERVICES COMMITTEE

As one who recently had the opportunity to visit the Marianas on an official Senate delegation, I want to underscore the Committee's call for prompt action to develop a memorial park with an appropriate monument to American war dead in accordance with sections 803(e) of the Covenant and 5B of the Technical Agreement. Such a living memorial is a fitting and long overdue action to honor those who gave their lives in the liberation of the Marianas.

In addition, I want to draw the Senate's attention to the fact that the Marianas have been excluded from consideration in the United Nations Development Program (UNDP) project for long-range planning in the Trust Territory. This action may prejudice attempts to preserve an integrated approach to the development of Micronesia. Accordingly, the U.S. Government should encourage close cooperation on economic development planning until the ultimate status of the components of the Trust Territory is clear.

JOHN CULVER.

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# Ninety-fourth Congress of the United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Monday, the nineteenth day of January,  
one thousand nine hundred and seventy-six*

## Joint Resolution

To approve the "Covenant To Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America", and for other purposes.

Whereas the United States is the administering authority of the Trust Territory of the Pacific Islands under the terms of the trusteeship agreement for the former Japanese-mandated islands entered into by the United States with the Security Council of the United Nations on April 2, 1947, and approved by the United States on July 18, 1947; and

Whereas the United States, in accordance with the trusteeship agreement and the Charter of the United Nations, has assumed the obligation to promote the development of the peoples of the trust territory toward self-government or independence as may be appropriate to the particular circumstances of the trust territory and its peoples and the freely expressed wishes of the peoples concerned; and

Whereas the United States, in response to the desires of the people of the Northern Mariana Islands clearly expressed over the past twenty years through public petition and referendum, and in response to its own obligations under the trusteeship agreement to promote self-determination, entered into political status negotiations with representatives of the people of the Northern Mariana Islands; and

Whereas, on February 15, 1975, a "Covenant to Establish A Commonwealth of the Northern Mariana Islands in Political Union with the United States of America" was signed by the Marianas Political Status Commission for the people of the Northern Mariana Islands and by the President's Personal Representative, Ambassador F. Haydn Williams for the United States of America, following which the covenant was approved by the unanimous vote of the Mariana Islands District Legislature on February 20, 1975 and by 78.8 per centum of the people of the Northern Mariana Islands voting in a plebiscite held on June 17, 1975: Now be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America, the text of which is as follows, is hereby approved.*

**"COVENANT TO ESTABLISH A COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS IN POLITICAL UNION WITH THE UNITED STATES OF AMERICA**

"Whereas, the Charter of the United Nations and the Trusteeship Agreement between the Security Council of the United Nations and the United States of America guarantee to the people of the Northern Mariana Islands the right freely to express their wishes for self-government or independence; and



“Whereas, the United States supports the desire of the people of the Northern Mariana Islands to exercise their inalienable right of self-determination; and

“Whereas, the people of the Northern Mariana Islands and the people of the United States share the goals and values found in the American system of government based upon the principles of government by the consent of the governed, individual freedom and democracy; and

“Whereas, for over twenty years, the people of the Northern Mariana Islands, through public petition and referendum, have clearly expressed their desire for political union with the United States;

“Now, therefore, the Marianas Political Status Commission, being the duly appointed representative of the people of the Northern Mariana Islands, and the Personal Representative of the President of the United States have entered into this Covenant in order to establish a self-governing commonwealth for the Northern Mariana Islands within the American political system and to define the future relationship between the Northern Mariana Islands and the United States. This Covenant will be mutually binding when it is approved by the United States, by the Mariana Islands District Legislature and by the people of the Northern Mariana Islands in a plebiscite, constituting on their part a sovereign act of self-determination.

#### “ARTICLE I

##### “POLITICAL RELATIONSHIP

“SECTION 101. The Northern Mariana Islands upon termination of the Trusteeship Agreement will become a self-governing commonwealth to be known as the ‘Commonwealth of the Northern Mariana Islands’, in political union with and under the sovereignty of the United States of America.

“SECTION 102. The relations between the Northern Mariana Islands and the United States will be governed by this Covenant which, together with those provisions of the Constitution, treaties and laws of the United States applicable to the Northern Mariana Islands, will be the supreme law of the Northern Mariana Islands.

“SECTION 103. The people of the Northern Mariana Islands will have the right of local self-government and will govern themselves with respect to internal affairs in accordance with a Constitution of their own adoption.

“SECTION 104. The United States will have complete responsibility for and authority with respect to matters relating to foreign affairs and defense affecting the Northern Mariana Islands.

“SECTION 105. The United States may enact legislation in accordance with its constitutional processes which will be applicable to the Northern Mariana Islands, but if such legislation cannot also be made applicable to the several States the Northern Mariana Islands must be specifically named therein for it to become effective in the Northern Mariana Islands. In order to respect the right of self-government guaranteed by this Covenant the United States agrees to limit the exercise of that authority so that the fundamental provisions of this Covenant, namely Articles I, II and III and Sections 501 and 805, may be modified only with the consent of the Government of the United States and the Government of the Northern Mariana Islands.

“ARTICLE II

“CONSTITUTION OF THE NORTHERN MARIANA ISLANDS

“SECTION 201. The people of the Northern Mariana Islands will formulate and approve a Constitution and may amend their Constitution pursuant to the procedures provided therein.

“SECTION 202. The Constitution will be submitted to the Government of the United States for approval on the basis of its consistency with this Covenant and those provisions of the Constitution, treaties and laws of the United States to be applicable to the Northern Mariana Islands. The Constitution will be deemed to have been approved six months after its submission to the President on behalf of the Government of the United States unless earlier approved or disapproved. If disapproved the Constitution will be returned and will be resubmitted in accordance with this Section. Amendments to the Constitution may be made by the people of the Northern Mariana Islands without approval by the Government of the United States, but the courts established by the Constitution or laws of the United States will be competent to determine whether the Constitution and subsequent amendments thereto are consistent with this Covenant and with those provisions of the Constitution, treaties and laws of the United States applicable to the Northern Mariana Islands.

“SECTION 203. (a) The Constitution will provide for a republican form of government with separate executive, legislative and judicial branches, and will contain a bill of rights.

“(b) The executive power of the Northern Mariana Islands will be vested in a popularly elected Governor and such other officials as the Constitution or laws of the Northern Mariana Islands may provide.

“(c) The legislative power of the Northern Mariana Islands will be vested in a popularly elected legislature and will extend to all rightful subjects of legislation. The Constitution of the Northern Mariana Islands will provide for equal representation for each of the chartered municipalities of the Northern Mariana Islands in one house of a bicameral legislature, notwithstanding other provisions of this Covenant or those provisions of the Constitution or laws of the United States applicable to the Northern Mariana Islands.

“(d) The judicial power of the Northern Mariana Islands will be vested in such courts as the Constitution or laws of the Northern Mariana Islands may provide. The Constitution or laws of the Northern Mariana Islands may vest in such courts jurisdiction over all causes in the Northern Mariana Islands over which any court established by the Constitution or laws of the United States does not have exclusive jurisdiction.

“SECTION 204. All members of the legislature of the Northern Mariana Islands and all officers and employees of the Government of the Northern Mariana Islands will take an oath or affirmation to support this Covenant, those provisions of the Constitution, treaties and laws of the United States applicable to the Northern Mariana Islands, and the Constitution and laws of the Northern Mariana Islands.

“ARTICLE III

“CITIZENSHIP AND NATIONALITY

“SECTION 301. The following persons and their children under the age of 18 years on the effective date of this Section, who are not citizens or nationals of the United States under any other provision of law, and who on that date do not owe allegiance to any foreign state, are

declared to be citizens of the United States, except as otherwise provided in Section 302:

“(a) all persons born in the Northern Mariana Islands who are citizens of the Trust Territory of the Pacific Islands on the day preceding the effective date of this Section, and who on that date are domiciled in the Northern Mariana Islands or in the United States or any territory or possession thereof;

“(b) all persons who are citizens of the Trust Territory of the Pacific Islands on the day preceding the effective date of this Section, who have been domiciled continuously in the Northern Mariana Islands for at least five years immediately prior to that date, and who, unless under age, registered to vote in elections for the Marianas Islands District Legislature or for any municipal election in the Northern Mariana Islands prior to January 1, 1975; and

“(c) all persons domiciled in the Northern Mariana Islands on the day preceding the effective date of this Section, who, although not citizens of the Trust Territory of the Pacific Islands, on that date have been domiciled continuously in the Northern Mariana Islands beginning prior to January 1, 1974.

“SECTION 302. Any person who becomes a citizen of the United States solely by virtue of the provisions of Section 301 may within six months after the effective date of that Section or within six months after reaching the age of 18 years, whichever date is the later, become a national but not a citizen of the United States by making a declaration under oath before any court established by the Constitution or laws of the United States or any court of record in the Commonwealth in the form as follows:

“‘I \_\_\_\_\_ being duly sworn, hereby declare my intention to be a national but not a citizen of the United States.’”

“SECTION 303. All persons born in the Commonwealth on or after the effective date of this Section and subject to the jurisdiction of the United States will be citizens of the United States at birth.

“SECTION 304. Citizens of the Northern Mariana Islands will be entitled to all privileges and immunities of citizens in the several States of the United States.

#### “ARTICLE IV

##### “JUDICIAL AUTHORITY

“SECTION 401. The United States will establish for and within the Northern Mariana Islands a court of record to be known as the ‘District Court for the Northern Mariana Islands’. The Northern Mariana Islands will constitute a part of the same judicial circuit of the United States as Guam.

“SECTION 402. (a) The District Court for the Northern Mariana Islands will have the jurisdiction of a district court of the United States, except that in all causes arising under the Constitution, treaties or laws of the United States it will have jurisdiction regardless of the sum or value of the matter in controversy.

“(b) The District Court will have original jurisdiction in all causes in the Northern Mariana Islands not described in Subsection (a) jurisdiction over which is not vested by the Constitution or laws of the Northern Mariana Islands in a court or courts of the Northern Mariana Islands. In causes brought in the District Court solely on

the basis of this subsection, the District Court will be considered a court of the Northern Mariana Islands for the purposes of determining the requirements of indictment by grand jury or trial by jury.

“(c) The District Court will have such appellate jurisdiction as the Constitution or laws of the Northern Mariana Islands may provide. When it sits as an appellate court, the District Court will consist of three judges, at least one of whom will be a judge of a court of record of the Northern Mariana Islands.

“SECTION 403. (a) The relations between the courts established by the Constitution or laws of the United States and the courts of the Northern Mariana Islands with respect to appeals, certiorari, removal of causes, the issuance of writs of habeas corpus and other matters or proceedings will be governed by the laws of the United States pertaining to the relations between the courts of the United States and the courts of the several States in such matters and proceedings, except as otherwise provided in this Article; provided that for the first fifteen years following the establishment of an appellate court of the Northern Mariana Islands the United States Court of Appeals for the judicial circuit which includes the Northern Mariana Islands will have jurisdiction of appeals from all final decisions of the highest court of the Northern Mariana Islands from which a decision could be had in all cases involving the Constitution, treaties or laws of the United States, or any authority exercised thereunder, unless those cases are reviewable in the District Court for the Northern Mariana Islands pursuant to Subsection 402(c).

“(b) Those portions of Title 28 of the United States Code which apply to Guam or the District Court of Guam will be applicable to the Northern Mariana Islands or the District Court for the Northern Mariana Islands, respectively, except as otherwise provided in this Article.

#### “ARTICLE V

##### “APPLICABILITY OF LAWS

“SECTION 501. (a) To the extent that they are not applicable of their own force, the following provisions of the Constitution of the United States will be applicable within the Northern Mariana Islands as if the Northern Mariana Islands were one of the several States: Article I, Section 9, Clauses 2, 3, and 8; Article I, Section 10, Clauses 1 and 3; Article IV, Section 1 and Section 2, Clauses 1 and 2; Amendments 1 through 9, inclusive; Amendment 13; Amendment 14, Section 1; Amendment 15; Amendment 19; and Amendment 26; provided, however, that neither trial by jury nor indictment by grand jury shall be required in any civil action or criminal prosecution based on local law, except where required by local law. Other provisions of or amendments to the Constitution of the United States, which do not apply of their own force within the Northern Mariana Islands, will be applicable within the Northern Mariana Islands only with approval of the Government of the Northern Mariana Islands and of the Government of the United States.

“(b) The applicability of certain provisions of the Constitution of the United States to the Northern Mariana Islands will be without prejudice to the validity of and the power of the Congress of the United States to consent to Sections 203, 506 and 805 and the proviso in Subsection (a) of this Section.

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“SECTION 502. (a) The following laws of the United States in existence on the effective date of this Section and subsequent amendments to such laws will apply to the Northern Mariana Islands, except as otherwise provided in this Covenant:

“(1) those laws which provide federal services and financial assistance programs and the federal banking laws as they apply to Guam; Section 228 of Title II and Title XVI of the Social Security Act as it applies to the several States; the Public Health Service Act as it applies to the Virgin Islands; and the Micronesian Claims Act as it applies to the Trust Territory of the Pacific Islands;

“(2) those laws not described in paragraph (1) which are applicable to Guam and which are of general application to the several States as they are applicable to the several States; and

“(3) those laws not described in paragraph (1) or (2) which are applicable to the Trust Territory of the Pacific Islands, but not their subsequent amendments unless specifically made applicable to the Northern Mariana Islands, as they apply to the Trust Territory of the Pacific Islands until termination of the Trusteeship Agreement, and will thereafter be inapplicable.

“(b) The laws of the United States regarding coastal shipments and the conditions of employment, including the wages and hours of employees, will apply to the activities of the United States Government and its contractors in the Northern Mariana Islands.

“SECTION 503. The following laws of the United States, presently inapplicable to the Trust Territory of the Pacific Islands, will not apply to the Northern Mariana Islands except in the manner and to the extent made applicable to them by the Congress by law after termination of the Trusteeship Agreement:

“(a) except as otherwise provided in Section 506, the immigration and naturalization laws of the United States;

“(b) except as otherwise provided in Subsection (b) of Section 502, the coastwise laws of the United States and any prohibition in the laws of the United States against foreign vessels landing fish or unfinished fish products in the United States; and

“(c) the minimum wage provisions of Section 6, Act of June 25, 1938, 52 Stat. 1062, as amended.

“SECTION 504. The President will appoint a Commission on Federal Laws to survey the laws of the United States and to make recommendations to the United States Congress as to which laws of the United States not applicable to the Northern Mariana Islands should be made applicable and to what extent and in what manner, and which applicable laws should be made inapplicable and to what extent and in what manner. The Commission will consist of seven persons (at least four of whom will be citizens of the Trust Territory of the Pacific Islands who are and have been for at least five years domiciled continuously in the Northern Mariana Islands at the time of their appointments) who will be representative of the federal, local, private and public interests in the applicability of laws of the United States to the Northern Mariana Islands. The Commission will make its final report and recommendations to the Congress within one year after the termination of the Trusteeship Agreement, and before that time will make such interim reports and recommendations to the Congress as it considers appropriate to facilitate the transition of the Northern Mariana Islands to its new political status. In formulating its recommendations the Commission will take into consideration the potential effect of each law on local conditions within the Northern Mariana Islands,

the policies embodied in the law and the provisions and purposes of this Covenant. The United States will bear the cost of the work of the Commission.

"SECTION 505. The laws of the Trust Territory of the Pacific Islands, of the Mariana Islands District and its local municipalities, and all other Executive and District orders of a local nature applicable to the Northern Mariana Islands on the effective date of this Section and not inconsistent with this Covenant or with those provisions of the Constitution, treaties or laws of the United States applicable to the Northern Mariana Islands will remain in force and effect until and unless altered by the Government of the Northern Mariana Islands.

"SECTION 506. (a) Notwithstanding the provisions of Subsection 503(a), upon the effective date of this Section the Northern Mariana Islands will be deemed to be a part of the United States under the Immigration and Nationality Act, as amended for the following purposes only, and the said Act will apply to the Northern Mariana Islands to the extent indicated in each of the following Subsections of this Section.

"(b) With respect to children born abroad to United States citizen or non-citizen national parents permanently residing in the Northern Mariana Islands the provisions of Sections 301 and 308 of the said Act will apply.

"(c) With respect to aliens who are 'immediate relatives' (as defined in Subsection 201(b) of the said Act) of United States citizens who are permanently residing in the Northern Mariana Islands all the provisions of the said Act will apply, commencing when a claim is made to entitlement to 'immediate relative' status. A person who is certified by the Government of the Northern Mariana Islands both to have been a lawful permanent resident of the Northern Mariana Islands and to have had the 'immediate relative' relationship denoted herein on the effective date of this Section will be presumed to have been admitted to the United States for lawful permanent residence as of that date without the requirement of any of the usual procedures set forth in the said Act. For the purpose of the requirements of judicial naturalization, the Northern Mariana Islands will be deemed to constitute a State as defined in Subsection 101(a) paragraph (36) of the said Act. The Courts of record of the Northern Mariana Islands and the District Court for the Northern Mariana Islands will be included among the courts specified in Subsection 310(a) of the said Act and will have jurisdiction to naturalize persons who become eligible under this Section and who reside within their respective jurisdictions.

"(d) With respect to persons who will become citizens or nationals of the United States under Article III of this Covenant or under this Section the loss of nationality provisions of the said Act will apply.

#### "ARTICLE VI

##### "REVENUE AND TAXATION

"SECTION 601. (a) The income tax laws in force in the United States will come into force in the Northern Mariana Islands as a local territorial income tax on the first day of January following the effective date of this Section, in the same manner as those laws are in force in Guam.

"(b) Any individual who is a citizen or a resident of the United States, of Guam, or of the Northern Mariana Islands (including a



national of the United States who is not a citizen), will file only one income tax return with respect to his income, in a manner similar to the provisions of Section 935 of Title 26, United States Code.

“(c) References in the Internal Revenue Code to Guam will be deemed also to refer to the Northern Mariana Islands, where not otherwise distinctly expressed or manifestly incompatible with the intent thereof or of this Covenant.

“SECTION 602. The Government of the Northern Mariana Islands may by local law impose such taxes, in addition to those imposed under Section 601, as it deems appropriate and provide for the rebate of any taxes received by it, except that the power of the Government of the Northern Mariana Islands to rebate collections of the local territorial income tax received by it will be limited to taxes on income derived from sources within the Northern Mariana Islands.

“SECTION 603. (a) The Northern Mariana Islands will not be included within the customs territory of the United States.

“(b) The Government of the Northern Mariana Islands may, in a manner consistent with the international obligations of the United States, levy duties on goods imported into its territory from any area outside the customs territory of the United States and impose duties on exports from its territory.

“(c) Imports from the Northern Mariana Islands into the customs territory of the United States will be subject to the same treatment as imports from Guam into the customs territory of the United States.

“(d) The Government of the United States will seek to obtain from foreign countries favorable treatment for exports from the Northern Mariana Islands and will encourage other countries to consider the Northern Mariana Islands a developing territory.

“SECTION 604. (a) The Government of the United States may levy excise taxes on goods manufactured, sold or used or services rendered in the Northern Mariana Islands in the same manner and to the same extent as such taxes are applicable within Guam.

“(b) The Government of the Northern Mariana Islands will have the authority to impose excise taxes upon goods manufactured, sold or used or services rendered within its territory or upon goods imported into its territory, provided that such excise taxes imposed on goods imported into its territory will be consistent with the international obligations of the United States.

“SECTION 605. Nothing in this Article will be deemed to authorize the Government of the Northern Mariana Islands to impose any customs duties on the property of the United States or on the personal property of military or civilian personnel of the United States Government or their dependents entering or leaving the Northern Mariana Islands pursuant to their contract of employment or orders assigning them to or from the Northern Mariana Islands or to impose any taxes on the property, activities or instrumentalities of the United States which one of the several States could not impose; nor will any provision of this Article be deemed to affect the operation of the Soldiers and Sailors Civil Relief Act of 1940, as amended, which will be applicable to the Northern Mariana Islands as it is applicable to Guam.

“SECTION 606. (a) Not later than at the time this Covenant is approved, that portion of the Trust Territory Social Security Retirement Fund attributable to the Northern Mariana Islands will be transferred to the Treasury of the United States, to be held in trust as a

separate fund to be known as the 'Northern Mariana Islands Social Security Retirement Fund'. This fund will be administered by the United States in accordance with the social security laws of the Trust Territory of the Pacific Islands in effect at the time of such transfer, which may be modified by the Government of the Northern Mariana Islands only in a manner which does not create any additional differences between the social security laws of the Trust Territory of the Pacific Islands and the laws described in Subsection (b). The United States will supplement such fund if necessary to assure that persons receive benefits therefrom comparable to those they would have received from the Trust Territory Social Security Retirement Fund under the laws applicable thereto on the day preceding the establishment of the Northern Mariana Islands Social Security Retirement Fund, so long as the rate of contributions thereto also remains comparable.

"(b) Those laws of the United States which impose excise and self-employment taxes to support or which provide benefits from the United States Social Security System will upon termination of the Trusteeship Agreement or such earlier date as may be agreed to by the Government of the Northern Mariana Islands and the Government of the United States become applicable to the Northern Mariana Islands as they apply to Guam.

"(c) At such time as the laws described in Subsection (b) become applicable to the Northern Mariana Islands:

"(1) the Northern Mariana Islands Social Security Retirement Fund will be transferred into the appropriate Federal Social Security Trust Funds;

"(2) prior contributions by or on behalf of persons domiciled in the Northern Mariana Islands to the Trust Territory Social Security Retirement Fund or the Northern Mariana Islands Social Security Retirement Fund will be considered to have been made to the appropriate Federal Social Security Trust Funds for the purpose of determining eligibility of those persons in the Northern Mariana Islands for benefits under those laws; and

"(3) persons domiciled in the Northern Mariana Islands who are eligible for or entitled to social security benefits under the laws of the Trust Territory of the Pacific Islands or of the Northern Mariana Islands will not lose their entitlement and will be eligible for or entitled to benefits under the laws described in Subsection (b).

"SECTION 607. (a) All bonds or other obligations issued by the Government of the Northern Mariana Islands or by its authority will be exempt, as to principal and interest, from taxation by the United States, or by any State, territory or possession of the United States, or any political subdivision of any of them.

"(b) During the initial seven year period of financial assistance provided for in Section 702, and during such subsequent periods of financial assistance as may be agreed, the Government of the Northern Mariana Islands will authorize no public indebtedness (other than bonds or other obligations of the Government payable solely from revenues derived from any public improvement or undertaking) in excess of ten per centum of the aggregate assessed valuation of the property within the Northern Mariana Islands.

“ARTICLE VII

“UNITED STATES FINANCIAL ASSISTANCE

“SECTION 701. The Government of the United States will assist the Government of the Northern Mariana Islands in its efforts to achieve a progressively higher standard of living for its people as part of the American economic community and to develop the economic resources needed to meet the financial responsibilities of local self-government. To this end, the United States will provide direct multi-year financial support to the Government of the Northern Mariana Islands for local government operations, for capital improvement programs and for economic development. The initial period of such support will be seven years, as provided in Section 702.

“SECTION 702. Approval of this Covenant by the United States will constitute a commitment and pledge of the full faith and credit of the United States for the payment, as well as an authorization for the appropriation, of the following guaranteed annual levels of direct grant assistance to the Government of the Northern Mariana Islands for each of the seven fiscal years following the effective date of this Section:

“(a) \$8.25 million for budgetary support for government operations, of which \$250,000 each year will be reserved for a special education training fund connected with the change in the political status of the Northern Mariana Islands;

“(b) \$4 million for capital improvement projects, of which \$500,000 each year will be reserved for such projects on the Island of Tinian and \$500,000 each year will be reserved for such projects on the Island of Rota; and

“(c) \$1.75 million for an economic development loan fund, of which \$500,000 each year will be reserved for small loans to farmers and fishermen and to agricultural and marine cooperatives, and of which \$250,000 each year will be reserved for a special program of low interest housing loans for low income families.

“SECTION 703. (a) The United States will make available to the Northern Mariana Islands the full range of federal programs and services available to the territories of the United States. Funds provided under Section 702 will be considered to be local revenues of the Government of the Northern Mariana Islands when used as the local share required to obtain federal programs and services.

“(b) There will be paid into the Treasury of the Government of the Northern Mariana Islands, to be expended to the benefit of the people thereof as that Government may by law prescribe, the proceeds of all customs duties and federal income taxes derived from the Northern Mariana Islands, the proceeds of all taxes collected under the internal revenue laws of the United States on articles produced in the Northern Mariana Islands and transported to the United States, its territories or possessions, or consumed in the Northern Mariana Islands, the proceeds of any other taxes which may be levied by the Congress on the inhabitants of the Northern Mariana Islands, and all quarantine, passport, immigration and naturalization fees collected in the Northern Mariana Islands, except that nothing in this Section shall be construed to apply to any tax imposed by Chapters 2 or 21 of Title 26, United States Code.

“SECTION 704. (a) Funds provided under Section 702 not obligated or expended by the Government of the Northern Mariana Islands

during any fiscal year will remain available for obligation or expenditure by that Government in subsequent fiscal years for the purposes for which the funds were appropriated.

“(b) Approval of this Covenant by the United States will constitute an authorization for the appropriation of a pro-rata share of the funds provided under Section 702 for the period between the effective date of this Section and the beginning of the next succeeding fiscal year.

“(c) The amounts stated in Section 702 will be adjusted for each fiscal year by a percentage which will be the same as the percentage change in the United States Department of Commerce composite price index using the beginning of Fiscal Year 1975 as the base.

“(d) Upon expiration of the seven year period of guaranteed annual direct grant assistance provided by Section 702, the annual level of payments in each category listed in Section 702 will continue until Congress appropriates a different amount or otherwise provides by law.

#### “ARTICLE VIII

##### “PROPERTY

“SECTION 801. All right, title and interest of the Government of the Trust Territory of the Pacific Islands in and to real property in the Northern Mariana Islands on the date of the signing of this Covenant or thereafter acquired in any manner whatsoever will, no later than upon the termination of the Trusteeship Agreement, be transferred to the Government of the Northern Mariana Islands. All right, title and interest of the Government of the Trust Territory of the Pacific Islands in and to all personal property on the date of the signing of this Covenant or thereafter acquired in any manner whatsoever will, no later than upon the termination of the Trusteeship Agreement, be distributed equitably in a manner to be determined by the Government of the Trust Territory of the Pacific Islands in consultation with those concerned, including the Government of the Northern Mariana Islands.

“SECTION 802. (a) The following property will be made available to the Government of the United States by lease to enable it to carry out its defense responsibilities:

“(1) on Tinian Island, approximately 17,799 acres (7,203 hectares) and the waters immediately adjacent thereto;

“(2) on Saipan Island, approximately 177 acres (72 hectares) at Tanapag Harbor; and

“(3) on Farallon de Medinilla Island, approximately 206 acres (83 hectares) encompassing the entire island, and the waters immediately adjacent thereto.

“(b) The United States affirms that it has no present need for or present intention to acquire any greater interest in property listed above than that which is granted to it under Subsection 802(a), or to acquire any property in addition to that listed in Subsection (a), above, in order to carry out its defense responsibilities.

“SECTION 803. (a) The Government of the Northern Mariana Islands will lease the property described in Subsection 802(a) to the Government of the United States for a term of fifty years, and the Government of the United States will have the option of renewing this lease for all or part of such property for an additional term of fifty years if it so desires at the end of the first term.

“(b) The Government of the United States will pay to the Government of the Northern Mariana Islands in full settlement of this lease, including the second fifty year term of the lease if extended under the renewal option, the total sum of \$19,520,600, determined as follows:

- “(1) for that property on Tinian Island, \$17.5 million;
- “(2) for that property at Tanapag Harbor on Saipan Island, \$2 million; and
- “(3) for that property known as Farallon de Medinilla, \$20,600.

The sum stated in this Subsection will be adjusted by a percentage which will be the same as the percentage change in the United States Department of Commerce composite price index from the date of signing the Covenant.

“(c) A separate Technical Agreement Regarding Use of Land To Be Leased by the United States in the Northern Mariana Islands will be executed simultaneously with this Covenant. The terms of the lease to the United States will be in accordance with this Section and with the terms of the Technical Agreement. The Technical Agreement will also contain terms relating to the leaseback of property, to the joint use arrangements for San Jose Harbor and West Field on Tinian Island, and to the principles which will govern the social structure relations between the United States military and the Northern Mariana Islands civil authorities.

“(d) From the property to be leased to it in accordance with this Covenant the Government of the United States will lease back to the Government of the Northern Mariana Islands, in accordance with the Technical Agreement, for the sum of one dollar per acre per year, approximately 6,458 acres (2,614 hectares) on Tinian Island and approximately 44 acres (18 hectares) at Tanapag Harbor on Saipan Island, which will be used for purposes compatible with their intended military use.

“(e) From the property to be leased to it at Tanapag Harbor on Saipan Island the Government of the United States will make available to the Government of the Northern Mariana Islands 133 acres (54 hectares) at no cost. This property will be set aside for public use as an American memorial park to honor the American and Marianas dead in the World War II Marianas Campaign. The \$2 million received from the Government of the United States for the lease of this property will be placed into a trust fund, and used for the development and maintenance of the park in accordance with the Technical Agreement.

“SECTION 804. (a) The Government of the United States will cause all agreements between it and the Government of the Trust Territory of the Pacific Islands which grant to the Government of the United States use or other rights in real property in the Northern Mariana Islands to be terminated upon or before the effective date of the Section. All right, title and interest of the Government of the Trust Territory of the Pacific Islands in and to any real property with respect to which the Government of the United States enjoys such use or other rights will be transferred to the Government of the Northern Mariana Islands at the time of such termination. From the time such right, title and interest is so transferred the Government of the Northern Mariana Islands will assure the Government of the United States the continued use of the real property then actively used by the Government of the United States for civilian governmental purposes on terms comparable to those enjoyed by the Government of the United

## H. J. Res. 549—13

States under its arrangements with the Government of the Trust Territory of the Pacific Islands on the date of the signature of this Covenant.

“(b) All facilities at Isely Field developed with federal aid and all facilities at that field usable for the landing and take-off of aircraft will be available to the United States for use by military and naval aircraft, in common with other aircraft, at all times without charge, except, if the use by military and naval aircraft shall be substantial, a reasonable share, proportional to such use, of the cost of operating and maintaining the facilities so used may be charged at a rate established by agreement between the Government of the Northern Mariana Islands and the Government of the United States.

“SECTION 805. Except as otherwise provided in this Article, and notwithstanding the other provisions of this Covenant, or those provisions of the Constitution, treaties or laws of the United States applicable to the Northern Mariana Islands, the Government of the Northern Mariana Islands, in view of the importance of the ownership of land for the culture and traditions of the people of the Northern Mariana Islands, and in order to protect them against exploitation and to promote their economic advancement and self-sufficiency:

“(a) will until twenty-five years after the termination of the Trusteeship Agreement, and may thereafter, regulate the alienation of permanent and long-term interests in real property so as to restrict the acquisition of such interests to persons of Northern Mariana Islands descent; and

“(b) may regulate the extent to which a person may own or hold land which is now public land.

“SECTION 806. (a) The United States will continue to recognize and respect the scarcity and special importance of land in the Northern Mariana Islands. If the United States must acquire any interest in real property not transferred to it under this Covenant, it will follow the policy of seeking to acquire only the minimum area necessary to accomplish the public purpose for which the real property is required, of seeking only the minimum interest in real property necessary to support such public purpose, acquiring title only if the public purpose cannot be accomplished if a lesser interest is obtained, and of seeking first to satisfy its requirement by acquiring an interest in public rather than private real property.

“(b) The United States may, upon prior written notice to the Government of the Northern Mariana Islands, acquire for public purposes in accordance with federal laws and procedures any interest in real property in the Northern Mariana Islands by purchase, lease, exchange, gift or otherwise under such terms and conditions as may be negotiated by the parties. The United States will in all cases attempt to acquire any interest in real property for public purposes by voluntary means under this Subsection before exercising the power of eminent domain. No interest in real property will be acquired unless duly authorized by the Congress of the United States and appropriations are available therefor.

“(c) In the event it is not possible for the United States to obtain an interest in real property for public purposes by voluntary means, it may exercise within the Commonwealth the power of eminent domain to the same extent and in the same manner as it has and can exercise the power of eminent domain in a State of the Union. The power of eminent domain will be exercised within the Commonwealth only to the extent necessary and in compliance with applicable United States laws, and with full recognition of the due process required by the United States Constitution.



“ARTICLE IX

“NORTHERN MARIANA ISLANDS REPRESENTATIVE AND CONSULTATION

“SECTION 901. The Constitution or laws of the Northern Mariana Islands may provide for the appointment or election of a Resident Representative to the United States, whose term of office will be two years, unless otherwise determined by local law, and who will be entitled to receive official recognition as such Representative by all of the departments and agencies of the Government of the United States upon presentation through the Department of State of a certificate of selection from the Governor. The Representative must be a citizen and resident of the Northern Mariana Islands, at least twenty-five years of age, and, after termination of the Trusteeship Agreement, a citizen of the United States.

“SECTION 902. The Government of the United States and the Government of the Northern Mariana Islands will consult regularly on all matters affecting the relationship between them. At the request of either Government, and not less frequently than every ten years, the President of the United States and the Governor of the Northern Mariana Islands will designate special representatives to meet and to consider in good faith such issues affecting the relationship between the Northern Mariana Islands and the United States as may be designated by either Government and to make a report and recommendations with respect thereto. Special representatives will be appointed in any event to consider and to make recommendations regarding future multi-year financial assistance to the Northern Mariana Islands pursuant to Section 701, to meet at least one year prior to the expiration of every period of such financial assistance.

“SECTION 903. Nothing herein shall prevent the presentation of cases or controversies arising under this Covenant to courts established by the Constitution or laws of the United States. It is intended that any such cases or controversies will be justiciable in such courts and that the undertakings by the Government of the United States and by the Government of the Northern Mariana Islands provided for in this Covenant will be enforceable in such courts.

“SECTION 904. (a) The Government of the United States will give sympathetic consideration to the views of the Government of the Northern Mariana Islands on international matters directly affecting the Northern Mariana Islands and will provide opportunities for the effective presentation of such views to no less extent than such opportunities are provided to any other territory or possession under comparable circumstances.

“(b) The United States will assist and facilitate the establishment by the Northern Mariana Islands of offices in the United States and abroad to promote local tourism and other economic or cultural interests of the Northern Mariana Islands.

“(c) On its request the Northern Mariana Islands may participate in regional and other international organizations concerned with social, economic, educational, scientific, technical and cultural matters when similar participation is authorized for any other territory or possession of the United States under comparable circumstances.

“ARTICLE X

“APPROVAL, EFFECTIVE DATES, AND DEFINITIONS

“SECTION 1001. (a) This Covenant will be submitted to the Mariana Islands District Legislature for its approval. After its approval by the Mariana Islands District Legislature, this Covenant will be submitted to the people of the Northern Mariana Islands for approval in a plebiscite to be called by the United States. Only persons who are domiciled exclusively in the Northern Mariana Islands and who meet such other qualifications, including timely registration, as are promulgated by the United States as administering authority will be eligible to vote in the plebiscite. Approval must be by a majority of at least 55% of the valid votes cast in the plebiscite. The results of the plebiscite will be certified to the President of the United States.

“(b) This Covenant will be approved by the United States in accordance with its constitutional processes and will thereupon become law.

“SECTION 1002. The President of the United States will issue a proclamation announcing the termination of the Trusteeship Agreement, or the date on which the Trusteeship Agreement will terminate, and the establishment of the Commonwealth in accordance with this Covenant. Any determination by the President that the Trusteeship Agreement has been terminated or will be terminated on a day certain will be final and will not be subject to review by any authority, judicial or otherwise, of the Trust Territory of the Pacific Islands, the Northern Mariana Islands or the United States.

“SECTION 1003. The provisions of this Covenant will become effective as follows, unless otherwise specifically provided:

“(a) Sections 105, 201-203, 503, 504, 606, 801, 903 and Article X will become effective on approval of this Covenant;

“(b) Sections 102, 103, 204, 304, Article IV, Sections 501, 502, 505, 601-605, 607, Article VII, Sections 802-805, 901 and 902 will become effective on a date to be determined and proclaimed by the President of the United States which will be not more than 180 days after this Covenant and the Constitution of the Northern Mariana Islands have both been approved; and

“(c) The remainder of this Covenant will become effective upon the termination of the Trusteeship Agreement and the establishment of the Commonwealth of the Northern Mariana Islands.

“SECTION 1004. (a) The application of any provision of the Constitution or laws of the United States which would otherwise apply to the Northern Mariana Islands may be suspended until termination of the Trusteeship Agreement if the President finds and declares that the application of such provision prior to termination would be inconsistent with the Trusteeship Agreement.

“(b) The Constitution of the Northern Mariana Islands will become effective in accordance with its terms on the same day that the provisions of this Covenant specified in Subsection 1003(b) become effective, provided that if the President finds and declares that the effectiveness of any provision of the Constitution of the Northern Mariana Islands prior to termination of the Trusteeship Agreement would be inconsistent with the Trusteeship Agreement such provision will be ineffec-

## H. J. Res. 549—16

tive until termination of the Trusteeship Agreement. Upon the establishment of the Commonwealth of the Northern Mariana Islands the Constitution will become effective in its entirety in accordance with its terms as the Constitution of the Commonwealth of the Northern Mariana Islands.

"SECTION 1005. As used in this Covenant:

"(a) 'Trusteeship Agreement' means the Trusteeship Agreement for the former Japanese Mandated Islands concluded between the Security Council of the United Nations and the United States of America, which entered into force on July 18, 1947;

"(b) 'Northern Mariana Islands' means the area now known as the Mariana Islands District of the Trust Territory of the Pacific Islands, which lies within the area north of 14° north latitude, south of 21° north latitude, west of 150° east longitude and east of 144° east longitude;

"(c) 'Government of the Northern Mariana Islands' includes, as appropriate, the Government of the Mariana Islands District of the Trust Territory of the Pacific Islands at the time this Covenant is signed, its agencies and instrumentalities, and its successors, including the Government of the Commonwealth of the Northern Mariana Islands;

"(d) 'Territory or possession' with respect to the United States includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam and American Samoa;

"(e) 'Domicile' means that place where a person maintains a residence with the intention of continuing such residence for an unlimited or indefinite period, and to which such person has the intention of returning whenever he is absent, even for an extended period.

"Signed at Saipan, Mariana Islands on the fifteenth day of February, 1975.

"For the people of the Northern Mariana Islands:

EDWARD DLG. PANGELINAN,  
Chairman, Marianas  
Political Status Commission.  
VICENTE N. SANTOS.  
Vice Chairman, Marianas  
Political Status Commission.

"For the United States of America:

Ambassador F. HAYDN WILLIAMS,  
Personal Representative of the  
President of the United States.

"Members of the Marianas Political Status Commission:

JUAN LG. CABRERA.  
VICENTE T. CAMACHO.  
JOSE R. CRUZ.  
BERNARD V. HOFSCHEIDER.  
BENJAMIN T. MANGLONA.  
DANIEL T. MUNA.  
DR. FRANCISCO T. PALACIOS.  
JOAQUIN I. PANGELINAN.  
MANUEL A. SABLAN.  
JOANNES B. TAIMANAO.  
PEDRO A. TENORIO."

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SEC. 2. It is the sense of the Congress that pursuant to section 902 of the foregoing Covenant, and in any case within ten years from the date of the enactment of this resolution, the President of the United States should request, on behalf of the United States, the designation of special representatives to meet and to consider in good faith such issues affecting the relationship between the Northern Mariana Islands and the United States as may be designated by either Government and to make a report and recommendations with respect thereto.

*Speaker of the House of Representatives.*

*Vice President of the United States and  
President of the Senate.*

APRIL 16, 1976

Office of the White House Press Secretary

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NOTICE TO THE PRESS

The President today selected a delegation to represent the United States in official ceremonies in the Northern Marianas to celebrate the President's signing of legislation for a covenant to establish a Commonwealth of the Northern Marianas Islands in political union with the United States.

Members of the delegation are:

Ambassador F. Haydn Williams, who is the Personal Representative of the President for Micronesian Status Negotiations with the rank of Ambassador. He will be head of the delegation.

Erwin Canham, who served as the Plebiscite Commissioner and will serve as the High Commissioner of the Northern Marianas.

Fred Zeder, who is High Commissioner of the Trust Territories. He will represent the Department of Interior and the Office of Territorial Affairs.

Rear Admiral George Morrison, he will represent the Department of Defense.

Thomas Barnes, he is Senior Staff for East Asian Affairs, National Security Council.

James M. Wilson, Jr., he is Senior State Department Officer who served as Ambassador Williams' Deputy during the negotiations.

Herman Marcuse, he is Senior Lawyer at Department of Justice's Law Counsel, represented the Department during the negotiations.

Mary Trent, she will represent the Office of Micronesian Negotiations. She is Director of the Office of Micronesian Negotiations.

The group will depart Washington on Saturday, April 17 and will arrive in Saipan on Monday. They will return to the United States on April 21.

# # #

MARCH 24, 1976

Office of the White House Press Secretary

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THE WHITE HOUSE

## STATEMENT BY THE PRESIDENT

I am signing today an historic document -- H.J. Res. 549, the Joint Resolution of the Congress approving the Northern Mariana Islands Commonwealth Covenant.

It is an important occasion. First, it is a significant step in carrying out our obligations under the United Nations Trusteeship Agreement which has been the basis of the United States' administration of these islands since 1947. Second, it confirms our national commitment to the principle of self-determination by honoring the freely expressed wishes of the peoples of these islands for political union with the United States. And third, the joining together of all of the Marianas under one flag and one common citizenship represents the first major addition to United States territory in the Pacific since 1898.

History will show that this action has been in clear response to the persistent desires of the Marianas people to become permanently associated with the United States -- a desire recorded formally through resolutions, referendums and petitions to the United Nations and to the United States dating as far back as 1950. History will also show that the negotiations leading to the Covenant were conducted in an open and highly democratic fashion, and that the Covenant's provisions are responsive to the wishes of both the people of the Northern Mariana Islands and the Congress of the United States.

Those who were involved in this careful and thorough process are to be congratulated: The Marianas Political Status Commission; Ambassador Haydn Williams and members of the American Delegation; those members of the Congress who worked closely with Ambassador Williams during the negotiations; and those who provided the leadership in moving the joint resolution through its final stages in the House and the Senate. I refer to the members of the Senate and House Interior Committees including Senator J. Bennett Johnston, Senator Paul J. Fannin, Senator Clifford P. Hansen, Chairman James Haley, Congressman Phil Burton, Congressman Joe Skubitz and Congressman William M. Ketchum.

The decision to approve the Covenant was not taken lightly by either the people of the Northern Mariana Islands or by the Congress of the United States. Its provisions and the significance of the islands becoming a part of the United States were subjected to careful scrutiny and weeks and months of debate in the Marianas and in Washington. The plebiscite of last June was conducted in a fair and impartial manner under the able supervision of Mr. Erwin D. Canham, the Plebiscite Commissioner. U.N. observers were also present. The final plebiscite vote, with 95% of those

more



eligible to vote casting their ballots, was a resounding 78.8% popular approval of the Covenant. Following months of open hearings the final vote in the House and Senate resulted in equally impressive majorities in favor of the Commonwealth of the Northern Mariana Islands in Political Union with the United States of America.

Next will come the challenge of planning carefully and well for the new government of the Northern Marianas under its own locally drawn and ratified Constitution. The framers of that Constitution will draw on our 200 years of experience as an independent democracy, and those residents of the Northern Marianas who will one day be citizens of the United States will receive the full protection of our Bill of Rights which protects the rights of all American citizens.

As I sign this Bill, I cannot help but remember that these islands were once the scene of bitter armed conflict. My hope now is that they will contribute to the continuing maintenance of peace and stability and growing cooperation and friendship among all of the peoples and nations of the Western Pacific.

Finally, to the peoples of the Northern Marianas, I extend to you on this historic day my personal greetings and my best wishes as you move progressively closer to your long-sought goal of self-government within the political framework of the American family. Your entrance into union with the United States is warmly welcomed in this our bicentennial year.

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OFFICE OF THE WHITE HOUSE PRESS SECRETARY

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THE WHITE HOUSE

REMARKS OF THE PRESIDENT  
UPON SIGNING H.J. RES. 549  
THE MARIANAS COVENANT

THE EAST ROOM

3:14 P.M. EST

Distinguished representatives of the Northern Marianas, distinguished Members of the Congress, members of the Executive Branch, ladies and gentlemen:

The signing today of the joint resolution of the Congress providing the Northern Marianas Islands Commonwealth Covenant marks a very important moment in our nation's history. It reaffirms our commitment to the principles of self-determination, and it honors the freely expressed wishes of the peoples of these islands for the political union with the United States.

Those wishes have been recorded formally through the resolutions, referendums and petitions to the United Nations and to the United States, dating as far back as 1950. We can be proud of the fact that open democratic negotiations led to the Covenant. The plebiscite conducted on the islands last June resulted in a resounding 78.8 percent popular approval of the Covenant. The final vote in the House and Senate reflected equally impressive majorities.

I congratulate all those involved in the process--the Marianas Political Status Commission, Ambassador Haydn Williams, members of the American delegation, and those Members of the Congress who worked very closely with Ambassador Williams during the negotiations.

Let me also thank the distinguished Members, past as well as present, of the House and Senate Interior Committees, particularly Senator Bennett Johnston, Cliff Hansen, Chairman James Haley, Congressmen Phil Burton, Joe Skubitz and Bill Ketchum.

To the people of the Northern Marianas I extend my personal greetings and my best wishes as you move closer to your goal of self-government within the political framework of the American family.

MORE

Page 2

I warmly welcome your eventual entrance into the union with the United States, and as I sign this bill, we might recall that these islands were once the scene of bitter armed conflict. My hope now is that they will contribute to the continuing maintenance of peace and stability and friendship among all the peoples in all of the nations in the Western Pacific.

Thank you all very much for coming. I can't say enough for the cooperation that came from not only the people of the Northern Marianas, but the Congress and all others associated, and to you, Ambassador Williams, we owe a great debt of gratitude.

END (AT 3:18 P.M. EST)

March 16, 1976

Dear Mr. Director:

The following bill was received at the White House on March 16th:

✓ H.J. Res. 549

Please let the President have reports and recommendations as to the approval of this bill as soon as possible.

Sincerely,

Robert D. Linder  
Chief Executive Clerk

The Honorable James T. Lynn  
Director  
Office of Management and Budget  
Washington, D.C.