The original documents are located in Box 16, folder "Marianas Islands Commonwealth (1)" of the Loen and Leppert Files at the Gerald R. Ford Presidential Library.

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EXTRANEOUS ASPECTS OF MARIANAS COVENANT RESOLUTION

- -- Section 2 is not timely because the adjudication of the War Claims has not been completed, and the pending claims may be inflated when judged against the terms of reference under which the Micronesian Claims Commission is operating.
- -- Section 3 is not germane, since it deals with all major U.S. territories, rather than just the Marianas.
- -- Both sections 2 and 3 raise serious budgetary implications which require further analysis by the Congressional Budget Committees and the OMB.
- -- Section 3 (b) raises serious constitutional questions in that it provides for a "one house veto" of legislative authority already approved by the full Congress and signed by the President.



THE WHITE HOUSE

WASHINGTON

February 12, 1975

MEMORANDUM FOR:

THRU:

FROM:

SUBJECT:

JACK MARSH

MAX FRIEDERSDORF VERN LOEN

CHARLES LEPPERT, JR.

Rep. Ketchum's inquiry on Northern Mariana Islands Commonwealth

Both Congressman Ketchum and his staff man are out of town until after February 17th. I will see both of them on their return concerning their letter to you dated February 6, 1975. I think the issue arises primarily with the staff member except for the land requirements on the island of Tinian about which I will speak directly to Bill Ketchum.

THE WHITE HOUSE

WASHINGTON

DATE: 2-10.75 TO: Chin FROM: Max L. Friedersdorf Please handle Please see me ¥0 9 For your information Other leno - 343 - 475 Steve Ja under - 2005

THE WHITE HOUSE WASHINGTON Max -I'd like for Charlie Le poent to look at this and adje hom to proceed as well as opinion an issae. Junh (S. TO ..

MEMORANDUM OF CALL	
To: Charlie	
VOU WERE CALLED BY-	VOU WERE VISITED BY-
mr Wen	kel
OF (Organization)	
PLEASE CALL CC	IONE NO. 225- 4965
WILL CALL AGAIN	IS WAITING TO SEE YOU
RETURNED YOUR CALL	WISHES AN APPOINTMENT
MESSAGE	· · · · · · · · · · · · · · · · · · ·

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WILLIAM M. KETCHUM 36TH DISTRICT, CALIFORNIA

413 CANNON HOUSE OFFICE BUILDING WASHINGTON, D.C. 20515 (202) 225-2915

> ADMINISTRATIVE ASSISTANT CHRISTOPHER C. SEEGER

DISTRICT REPRESENTATIVE DALE J. SILVA Congress of the United States

House of Representatives Washington, D.C. 20515 KERN, KINGS, SAN LUIS OBISPO AND SANTA BARBARA COUNTIES

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5276 HOLLISTER AVENUE Wing 3, Suite E Santa Barbara, California 93111 (805) 964-3514

February 6, 1975

FEB 7 1975

Mr. John O. Marsh, Jr. Counsellor to the President Executive Office of the President 1600 Pennsylvania Avenue, N.W. Washington, D.C. 20500

Dear Jack:

As the Ranking Minority Member of the House Territorial and Insular Affairs Subcommittee, I have followed over the years Micronesian political development. I have been briefed on the contents of the enclosed draft Covenant wherein it is proposed that the Northern Mariana Islands will soon join the American political family as a commonwealth. And, with the exception of the military land requirements on Tinian, I am satisfied with the agreement and anticipate no significant difficulties in reaching eventual House approval of the Covenant.

I do, however, have certain reservations regarding the procedures whereby the Constitution of the Northern Marianas will receive Federal sanction. You will note that Section 202 fails to provide specifically for Congressional review of the constitution. In my view, such an omission would be in error, failing to consider prevailing attitudes within the 94th Congress as well as ignoring legislative precedent. Under the Constitution, the Congress is empowered to determine territorial policy; and in this matter of historical significance, a renunciation of Congressional responsibility would appear unwise.



Accordingly, I would like to discuss with you in the near future the role of Congress in the formal approval of both the Marianas' Covenant and the Commonwealth Constitution; and if a time mutually convenient for us is not possible, I wish, as a minimum, that you would discuss the issue with Tom Dunmire, our Interior Committee Minority Consultant. In this regard, I suggest that Mr. W. R. Smyser, who has been following the status negotiations from his position as a senior National Security Council staff member, be invited to attend.

Best regards,

Ketchum

Member of Congress

Enclosure: a/s



MARIANAS POLITICAL STATUS NEGOTIATIONS

FIFTH SESSION

Saipan, Mariana Islands

Opened.....December 5, 1974 Recessed.....December 19, 1974



OFFICE FOR MICRONESIAN STATUS NEGOTIATIONS Washington, D. C.

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STATEMENT OF AMBASSADOR F. HAYDN WILLIAMS THE PERSONAL REPRESENTATIVE OF THE PRESIDENT FOR MARIANAS STATUS NEGOTIATIONS FIRST PLENARY SESSION FIFTH SESSION OF THE MARIANAS STATUS NEGOTIATIONS DECEMBER 5, 1974 SAIPAN

* • • •

MR. CHAIRMAN, MR. HIGH COMMISSIONER, HONORED GUESTS, MEMBERS OF THE MARIANAS POLITICAL STATUS COMMISSION, LADIES AND GENTLEMEN: WE ARE HAPPY TO BE HERE AGAIN AT THE INVITATION OF THE MARIANAS POLITICAL STATUS COMMISSION TO RESUME OUR WORK WHICH BEGAN TWO YEARS AGO THIS MONTH ON SAIPAN. OUR COMING FROM WASHINGTON TO THESE ISLANDS IN DECEMBER 1972 AT THE REQUEST OF THE PEOPLE AND THE LEADERS OF THE MARIANAS DISTRICT WAS THE CULMINATION OF THEIR DESIRE GOING BACK MORE THAN TWO DECADES TO THE YEAR 1950 WHEN THE MARIANAS HOUSE OF COUNCIL AND HOUSE OF COMMISSIONERS FORWARDED A PETITION STATING THAT THE MARIANA ISLANDS DISTRICT OF THE TTPI WISHED TO BE INCORPORATED INTO THE U.S. AS AN AMERICAN POSSESSION OR TERRITORY. OVER THE YEARS THAT FOLLOWED, THE SERIOUSNESS AND SINCERITY OF THIS DESIRE WAS ATTESTED TO TIME AND AGAIN BY THE CONSTANCY AND THE PERSISTENCY OF LOCAL EFFORTS TO ACCOMPLISH THIS GOAL THROUGH RESO-LUTIONS, PETITIONS AND REFERENDUMS, DESPITE A LACK OF ENCOURAGEMENT FROM WASHINGTON AND FROM THE UNITED NATIONS IN NEW YORK. THE WILL OF THE PEOPLE OF THE MARIANAS FOR A FUTURE POLITICAL STATUS SEPARATE FROM THE OTHER DISTRICTS DID NOT HOWEVER GO UNNOTICED. OVER THE YEARS, THIS SENTIMENT AND THE FREELY EXPRESSED DESIRE OF THE PEOPLE FOR POLITICAL ASSOCIATION WITH THE UNITED STATES WAS RECOGNIZED BY THE U.N. VISITING MISSIONS, BY THE 1969 REPORT OF THE JOINT COMMISSION ON FUTURE STATUS AND BY LEADERS OF THE CONGRESS OF MICRONESIA IN STATEMENTS TO THE CONGRESS AND IN THE CONTEXT OF THE CONGRESS OF MICRONESIA STATUS TALKS WITH THE UNITED STATES. IT WAS NOT UNTIL THE SPRING OF 1972, SOME 22 YEARS AFTER THE FIRST PETITION, THAT THE UNITED STATES FINALLY ACCEDED TO A FORMAL REQUEST TO ENTER INTO TALKS WITH THE MARIANAS SEPARATE FROM THOSE WITH THE JOINT COMMITTEE ON FUTURE STATUS ON THE GROUNDS THAT IT DID NOT WISH TO IMPOSE A FUTURE POLITICAL STATUS ON THE PEOPLE OF THE MARIANAS WHICH THEY CLEARLY DID NOT WANT.

THIS LONG AWAITED AND HOPED FOR DECISION SET IN MOTION THE ESTABLISH-MENT AND THE APPOINTMENT OF THE MARIANAS POLITICAL STATUS COMMISSION. PARTICIPATING IN THIS PROCESS WERE YOUR ELECTED LEADERS IN THE MARIANAS DISTRICT LEGISLATURE, YOUR MUNICIPAL COUNCILS, INCLUDING ROTA AND TINIAN, YOUR REPRESENTATIVES IN THE CONGRESS OF MICRONESIA, YOUR PRIVATE BUSINESS SECTOR, THE CAROLINIAN COMMUNITY AND YOUR TWO POLITICAL PARTIES. ONE WOULD SEARCH IN VAIN FAR AND WIDE FROM ONE END OF THE EARTH TO THE OTHER TO FIND A MORE DEMOCRATICALLY SELECTED AND REPRESENTATIVE NEGOTIATING DELEGATION THAN THE ONE THAT HAS BEEN REPRESENTING THE 14,000 PEOPLE OF THE NORTHERN MARIANAS IN THESE TALKS.

IT WAS SIX MONTHS AFTER THE APPOINTMENT OF THIS COMMISSION THAT WE FIRST MET IN JOINT SESSION. SINCE THAT TIME OUR PACE HAS BEEN A STEADY ONE. WE HAVE MET AT SIX MONTHS INTERVALS AND MUCH HARD WORK HAS GONE ON IN BETWEEN EACH OF THE FORMAL SESSIONS. OUR COMMON EFFORTS OVER THE NEXT SEVERAL DAYS WILL BE BASED TO A VERY LARGE EXTENT ON THE LONG HOURS OF CAREFUL PREPARATION BY BOTH SIDES THAT HAVE PRECEDED THESE TALKS AND THE PROGRESS THAT HAS BEEN MADE BY THE JOINT COMMITTEE ON LAND AND THE JOINT DRAFTING COMMITTEE SINCE WE LAST MET. IN THE INTERIM YOU HAVE HAD YOUR INTERNAL CONSULTATIONS AND SO HAVE WE SINCE WE RECOGNIZE, AS I AM SURE YOU DO, THAT OUR WORK IS AD REFERENDUM IN NATURE AND THAT OUR SUCCESS WILL DEPEND UPON THE ULTIMATE ACCEPTANCE OF OUR PRODUCT BY THE PEOPLE OF THE NORTHERN MARIANAS AND BY THE CONGRESS OF THE UNITED STATES.

NOW AS WE TURN OUR ATTENTION TO OUR REMAINING TASKS PERHAPS IT WOULD BE USEFUL TO TAKE A FEW MOMENTS TO REVIEW A LITTLE MORE FULLY THE HISTORICAL BACKGROUND OF THESE NEGOTIATIONS, THE PROGRESS THAT HAS BEEN MADE TO DATE, AND WHAT KIND OF A FUTURE POLITICAL STATUS WE ARE TALKING ABOUT.

THE LONG TRAIN OF EVENTS LEADING TO THESE NEGOTIATIONS BEGAN, AS I HAVE ALREADY MENTIONED, IN 1950 WHEN THE TRUSTEESHIP WAS ONLY THREE YEARS OLD AND THE RAVAGES OF WAR WERE STILL REAL AND FRESH IN EVERYONE'S MEMORY. THE THEN LEADERS OF THE NORTHERN MARIANAS THOUGHT THAT THE FUTURE WELFARE OF ALL OF THEIR PEOPLE WOULD BEST BE SERVED BY JOINING THE UNITED STATES. THE ORIGINAL PETITION TO THIS END WAS FOLLOWED BY CALLS FOR REINTEGRATION WITH GUAM. THESE EFFORTS LED TO THE PLEBISCITE ON FEBRUARY 5, 1961 WHICH RESULTED IN AN OVERWHELMING POPULAR VOTE SUPPORTING THE IDEA OF UNION WITH GUAM BUT NOTHING CAME OF THESE INITIATIVES OF THE NINETEEN FIFTIES. NOT TO BE DISCOURAGED, THE LEADERS AND PEOPLE OF THE NORTHERN MARIANAS CONTINUED TO PURSUE THROUGHOUT THE SIXTIES A SEPARATE STATUS AND A CLOSE AND ENDURING POLITICAL ASSOCIATION WITH THE UNITED STATES INCLUDING AN OFT STATED DESIRE FOR AMERICAN CITIZENSHIP

2



IN JULY 1969 THE REPORT OF THE POLITICAL STATUS COMMISSION OF THE CONGRESS OF MICRONESIA RECOGNIZED THESE SENTIMENTS AND NOTED THAT ULTIMATELY THE UNITED NATIONS AND THE UNITED STATES WOULD HAVE TO RESOLVE THE MARIANAS ASPIRATION FOR A FUTURE STATUS SEPARATE FROM THAT OF THE OTHER FIVE DISTRICTS OF THE TTPI. THE COMMISSION SAID THAT IT WOULD NOT OPPOSE A FUTURE STATUS FOR THE MARIANAS WHICH REFLECTED THE FREELY EXPRESSED DESIRES OF THE MAJORITY OF THE RESIDENTS OF THAT DISTRICT. IN THAT SAME YEAR THE PEOPLE OF THE MARIANAS ONCE AGAIN EXPRESSED THEIR CONTINUING SUPPORT FOR FULL INTEGRATION INTO THE AMERICAN POLITICAL SYSTEM BY THE MEANS OF ANOTHER PLEBISCITE.

THE FIRST YEAR OF THE SEVENTIES SAW THE MARIANAS DISTRICT LEGISLATURE VOTE FOR THE FIRST TIME IN FAVOR OF THE COMMONWEALTH PROPOSAL THAT THE UNITED STATES HAD OFFERED TO ALL OF MICRONESIA. IN 1971 BY LEGISLATIVE RESOLUTION NO. 30 THE MARIANAS DISTRICT LEGISLATURE ADVISED THE U.N. TRUSTEESHIP COUNCIL AND THE SECURITY COUNCIL IN FORCEFUL LANGUAGE OF ITS DESIRE FOR IMMEDIATE SEPARATE STATUS AND UNION WITH THE UNITED STATES. IT WAS BY THIS TIME CLEAR TO EVERY OBJECTIVE OBSERVER THAT TO DENY THE PEOPLE OF THE MARIANAS DISTRICT THEIR DESIRE TO SEPARATE STATUS WOULD IN FACT BE DENYING THEM THEIR RIGHT TO SELF-DETERMINATION AS CALLED FOR BY THE U.N. CHARTER AND THE TRUSTEESHIP AGREEMENT. CONSEQUENTLY AND RELUCTANTLY THE UNITED STATES IN APRIL 1972 IN KOROR, AFTER INFORMING THE JOINT COMMITTEE ON FUTURE STATUS, AGREED TO ENTER INTO SEPARATE TALKS WITH THE MARIANAS. AT THE SAME TIME THE U.S. STATED ITS POSITION THAT IT WOULD NOT TERMINATE THE TRUSTEESHIP AGREEMENT FOR THE MARIANAS IN ADVANCE OF THE TERMINATION FOR ALL OF THE DISTRICTS OF THE TRUST TERRITORY OF THE PACIFIC ISLANDS. IN JUNE OF 1972 THE U.S. INFORMED THE U.N. TRUSTEESHIP COUNCIL OF THIS DECISION REGARDING THE MARIANA ISLANDS DISTRICTS OF THE TTPI.

AGAINST THIS BACKGROUND OF LONG YEARS OF CAREFUL AND DELIBERATE CONSIDERATION BY THE MEMBERS OF SUCCESSIVE MUNICIPAL COUNCILS AND YOUR LOCAL LEGISLATURE AND BY REPEATED EXPRESSIONS OF POPULAR OPINION BY THE PEOPLE THEMSELVES OUR PRESENT NEGOTIATIONS OPENED AT THE MOUNT CARMEL AUDITORIUM ON DECEMBER 13, 1972. SINCE THAT TIME WE HAVE REACHED AGREEMENT IN PRINCIPLE IN A NUMBER OF IMPORTANT AREAS--IN FACT IN MOST OF THE AREAS THAT WILL SERVE AS THE BASIS OF THE NEW COMMONWEALTH RELATIONSHIP WE ARE BUILDING TOWARD. OUR NEXT TASK IS TO REACH UNDERSTANDINGS ON THE EXACT LANGUAGE OF AN AGREEMENT ITSELF, A TASK THAT REQUIRES THE DRAFTING OF PRECISE AND AT TIMES DETAILED. COMPLICATED TECHNICAL AND LEGAL LANGUAGE. THIS PROCESS WILL TAKE TIME AND PATIENCE AND AN ELEMENT OF FAITH ON BOTH SIDES.

IN GENERAL TERMS, WHAT WILL THE COMMONWEALTH AGREEMENT INCLUDE, WHAT WILL IT MEAN TO THE PEOPLE OF THE NORTHERN MARIANAS? IT WILL MEAN THAT IF APPROVED BY THE PEOPLE, THE NORTHERN MARIANAS WILL JOIN IN A POLITICAL UNION WITH THE U.S. UNDER AMERICAN SOVEREIGNTY. IT WILL MEAN THAT THE PEOPLE OF THE NORTHERN MARIANAS WILL BE GIVEN THE OPPORTUNITY OF BECOMING AMERICAN CITIZENS WITH ALL OF THE BENEFITS AND

DUTIES THAT ACCOMPANY THAT STATUS-OR IF THEY CHOOSE THEY MAY BECOME NATIONALS UPON DECLARATION OF THEIR CHOICE.

IT WILL MEAN THAT THE NORTHERN MARIANAS WILL BE SELF-GOVERNING WHICH IN TURN MEANS THAT:

- IT WILL WRITE AND ADOPT ITS OWN CONSTITUTION
- IT WILL ELECT ITS OWN GOVERNOR
- IT WILL ELECT ITS OWN LEGISLATIVE BODIES
- IT WILL HAVE ITS OWN COURTS

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IT WILL MEAN THAT THE NORTHERN MARIANAS WILL BE RESPONSIBLE FOR PLANNING ITS OWN ECONOMIC FUTURE, THE PACE AND THE NATURE OF ITS ECONOMIC GROWTH, ITS LAND USE, THE ALLOCATION OF ITS FINANCIAL RESOURCES AND THE ESTABLISHMENT OF DEVELOPMENT GOALS AND PRIORITIES. IN THIS PROCESS THE FEDERAL GOVERNMENT WILL PROVIDE ASSISTANCE DURING THE TRANSITION PERIOD AND DURING THE FIRST YEARS OF THE NEW RELATIONSHIP AND AFTER THAT ON AN AGREED AS NEEDED BASIS.

THIS ASSISTANCE WILL BE PROVIDED BY MANY DIRECT AND INDIRECT METHODS.

- BY GRANTS FOR BUDGET SUPPORT FOR THE GOVERNMENT OF THE COMMONWEALTH
- BY GRANTS FOR CAPITAL IMPROVEMENT PROGRAMS WITH SPECIAL INITIAL FUNDS RESERVED FOR TINIAN AND ROTA
- BY GRANTS FOR ECONOMIC DEVELOPMENT LOANS WITH SPECIAL FUNDS RESERVED FOR SMALL FARMERS AND FISHERMEN
- BY TAX BENEFITS AND REBATES WITH ALL TAXES COLLECTED IN THE MARIANAS BEING USED EXCLUSIVELY WITHIN THE NORTHERN MARIANAS
- BY THE PROVISION OF FUNDS FROM VARIOUS FEDERAL PROGRAMS AND SERVICES FOR WHICH THE NORTHERN MARIANAS WOULD BE ELIGIBLE IN THE SAME MANNER AS THE TERRITORIES.

IT WILL MEAN THAT ALL PUBLIC LANDS NOW HELD IN TRUST FOR THE PEOPLE BY THE ADMINISTERING AUTHORITY WILL BE TURNED OVER TO THE MARIANAS TO BE CONTROLLED IN ACCORDANCE WITH LOCAL LAWS AND POLICIES. THIS WILL INCLUDE THE RETURN OF ALL REMAINING MILITARY RETENTION LAND TO THE PUBLIC DOMAIN FROM WHICH U.S. DEFENSE LAND NEEDS WILL BE MET.

IT WILL MEAN THAT THE NORTHERN MARIANAS WILL BE ASKED TO CONTRIBUTE TO NATIONAL DEFENSE REQUIREMENTS OF THE U.S. AND TO THE MAINTENANCE OF PEACE AND STABILITY IN THE WESTERN PACIFIC BY MAKING SOME OF ITS LAND AVAILABLE FOR DEFENSE PURPOSES. THIS LAND AS AGREED TO INCLUDES 7,207

HECTARES ON TINIAN, 72 HECTARES IN TANAPAG HARBOR AREA, 196 HECTARES SOUTH OF ISELY AND THE USE OF THE UNINHABITED ISLAND OF FARALLON DE MEDINILLA. THESE ARE SOME OF THE MOST IMPORTANT AREAS OF AGREEMENT THAT HAVE BEEN REACHED IN PRINCIPLE. DETAILED FINAL AGREEMENTS HAVE NOT AS YET BEEN REACHED IN ALL OF THE AREAS OF THE FEDERAL RELATIONSHIP. REMAINING QUESTIONS ALONG WITH THE METHOD OF ACQUISITION AND THE PRICE TO BE PAID FOR LANDS TO BE USED BY THE FEDERAL GOVERNMENT FOR DEFENSE PURPOSES WILL OCCUPY MOST OF OUR TIME OVER THE COMING DAYS (AND NIGHTS). WE BELIEVE THAT FURTHER EXCHANGES ON THE SUBJECT OF TRANSITION AND THE APPROVAL PROCESS AND TIMETABLE WOULD

ALSO BE USEFUL AND WE WILL BE LOOKING FORWARD TO THE VIEWS OF THE MARIANAS POLITICAL STATUS COMMISSION ON THESE MATTERS.

AS WE PROCEED WE OF COURSE REMAIN FULLY AWARE THAT OUR DECISIONS AND FINAL AGREEMENTS ARE ALL SUBJECT TO APPROVAL BY OUR PRINCIPALS AND THIS REALITY SHOULD NEVER BE LOST SIGHT OF. YOU HAVE YOUR PRINCIPAL AND CONSTI-TUENTS TO CONSIDER INCLUDING THEIR WISHES AND THEIR NEEDS. WE HAVE OUR CONGRESS TO CONSIDER AND WHAT MAY BE POSSIBLE AND WHAT MAY NOT BE POSSIBLE IN OBTAINING THE HOUSE AND SENATE APPROVAL OF A FINAL DOCUMENT. CONTINUING CONSULTATIONS AND KEEPING THE PEOPLE INFORMED ARE BOTH ESSENTIAL IF WE ARE TO BE SUCCESSFUL. MORE THAN A HALF CENTURY AGO PRESIDENT WOODROW WILSON MADE HIS FAMOUS CALL FOR "OPEN COVENANTS OPENLY ARRIVED AT". THAT IS EXACTLY WHAT I AM SURE BOTH SIDES IN THIS NEGOTIATION DESIRE. WE HAVE NO SECRETS AND IT SHOULD BE OUR DELIBERATE AIM TO DISPEL ANY ILLUSION ON THE PART OF ANYONE THAT OUR WORK IS IN ANY WAY SECRETIVE. WE MUST DO OUR UTMOST--ALL OF US--TO SEE THAT CORRECT AND CONTINUING INFORMATION ON OUR TALKS IS MADE AVAILABLE TO THOSE MOST DIRECTLY CONCERNED---THE PEOPLE OF THE NORTHERN MARIANAS. THEY NEED TO KNOW--AND IT CERTAINLY

IS THEIR RIGHT TO KNOW--THE FACTS, FOR IN THE MOST DIRECT SENSE IT IS THEIR,

Statics - ----

AND THEIR CHILDREN'S FUTURE WHICH WE ARE CONSIDERING. TO THAT END I PLEDGE TO YOU THE MEMBERS OF THE MARIANAS POLITICAL STATUS COMMISSION OUR FULLEST COOPERATION.

IN CONCLUSION LET ME SAY THAT I BELIEVE WE HAVE COME A LONG WAY TOGETHER OVER THE PAST TWO YEARS. SUBSTANTIAL PROGRESS HAS BEEN MADE AND AS WE MOVE TOWARD THE COMPLETION OF OUR TASK OF DRAWING UP AN AGREED TEXT, I WOULD RECALL THE FIRST THREE WORDS OF THE PREAMBLE OF THE CONSTITUTION OF THE UNITED STATES. THEY READ: "WE THE PEOPLE". THOSE SIGNIFICANT WORDS, SET AT THE VERY BEGINNING OF THE CONSTITUTION, SHOW WHERE THE POWER AND SOVEREIGNTY OF OUR NATION RESIDES. HERE IN YOUR ISLANDS WE ARE WORKING TOGETHER IN A SPIRIT OF COOPERATION TOWARD THE ESTABLISHMENT OF A NEW COMMONWEALTH WHICH WILL BE BASED ON THE SAME SOLID PRINCIPLE OF "GOVERNMENT BY THE CONSENT OF THE GOVERNED". LET US THEN STEADILY CONTINUE TOWARD THE COMPLETION OF THE TASK THAT HAS BEEN GIVEN US, CONSCIOUS OF ITS FULL MEANING AND IMPORTANCE AND DEDICATED TO ITS FULFILLMENT.

THANK YOU.

STATEMENT OF EDWARD DLG. PANGELINAN CHAIRMAN OF THE MARIANAS POLITICAL STATUS COMMISSION PLENARY SESSION FIFTH SESSION OF THE MARIANAS STATUS NEGOTIATIONS December 5, 1974

AMBASSADOR WILLIAMS, MEMBERS OF THE U. S. DELEGATION, HONORED GUESTS, LADIES AND GENTLEMEN: ON BEHALF OF THE MARIANAS POLITICAL STATUS COMMISSION AND THE PEOPLE OF THE MARIANAS, IT IS ONCE AGAIN MY PLEASURE TO WELCOME YOU TO SAIPAN FOR A SESSION OF POLITICAL STATUS NEGOTIATIONS. THE FREQUENCY AND REGULARITY OF OUR SESSIONS--IN DECEMBER, 1972; MAY, 1973; DECEMBER, 1973; MAY, 1974 AND NOW IN DECEMBER, 1974--PROVIDE CLEAR EVIDENCE OF THE WILLINGNESS OF THE UNITED STATES TO WORK DILIGENTLY WITH US TO CREATE A FUTURE POLITICAL STATUS WHICH MEETS THE ASPIRATIONS OF THE PEOPLE OF THE MARIANAS.

I

TWO YEARS AGO, AT THE VERY BEGINNING OF THESE NEGOTIATIONS, I OUTLINED THE REASONS WHICH PERSUADED THE MARIANAS DISTRICT LEGISLATURE TO CREATE THIS COMMISSION. IN LIGHT OF THE INCREASING ATTENTION WHICH THESE TALKS ARE NOW RECEIVING, IT MIGHT BE USEFUL TO REVIEW THE BASIC MOTIVATIONS UNDERLYING SEPARATE STATUS NEGOTIATIONS FOR THE MARIANAS. FIRST, THE PEOPLE OF THE MARIANAS DO NOT WANT THE TRUSTEESHIP AGREEMENT TO GO ON INDEFINITELY. WE FEEL

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OUR PRESENT STATUS -- NO MATTER HOW WELL-INTENTIONED --1 IS OUTMODED AND INAPPROPRIATE. CHANGE IS NECESSARY -- EVEN THOUGH CHANGE INEVITABLY BRINGS RISK AND UNCERTAINTY. WE BELIEVE THAT OUR PEOPLE HAVE THE SOVEREIGN RIGHT OF SELF-DETERMINATION, AS DO OTHER PEOPLE IN THE WORLD. IN THIS RESPECT, WE DIFFER FROM SOME CRITICS OF THESE NEGOTIATIONS, WHO SEEM TO BELIEVE THAT THE STATUS QUO OF THE TRUSTEESHIP SHOULD CONTINUE FOR THE INDEFINITE FUTURE.

SECOND, WE FEEL THAT THE MARIANAS PEOPLE ARE READY FOR SELF-GOVERNMENT. THE MEMBERS OF THE DISTRICT LEGISLATURE AND THIS COMMISSION ARE WELL AWARE THAT SELF-GOVERNMENT CARRIES WITH IT NEW BURDENS AND RESPONSIBILITIES, AS WELL AS NEW OPPORTUNITIES AND CHALLENGES. THERE ARE THOSE WHO SAY THAT THE MARIANAS PEOPLE ARE NOT READY FOR SELF-GOVERNMENT. THIS IS A FAMILIAR REFRAIN--OFTEN VOICED BY THOSE, INCLUDING MANY WHO DO NOT HAVE DEEP ROOTS IN THE MARIANAS, WHO ARE PROSPERING UNDER AN OUTMODED POLITICAL STATUS AT THE EXPENSE OF THE PEOPLE. WE DISAGREE WITH THIS VIEW. WE LOOK FORWARD TO THE DAY WHEN THE MARIANAS PEOPLE CAN CONTROL THEIR OWN DESTINY.

THIRD, THESE NEGOTIATIONS REFLECT THE HIGH VALUE WHICH WE PLACE ON THE FREEDOMS AND DEMOCRATIC FORM OF GOVERNMENT WHICH MARK THE AMERICAN POLITICAL SYSTEM. WE WANT A GOVERNMENT WHICH ASSURES THESE RIGHTS AND FREEDOMS AND WHICH RECOGNIZES THE FUNDAMENTAL EQUALITY OF ALL MEN UNDER THE LAW. FOR THESE REASONS, THE PEOPLE OF THE MARIANAS ARE PREPARED TO EMBRACE THE U. S. CONSTITUTION AND ITS BILL OF RIGHTS. OUR MICRONESIAN

BROTHERS IN OTHER DISTRICTS, BECAUSE OF DIFFERENT TRADITIONS OR ASPIRATIONS, MAY FEEL OTHERWISE. WE RESPECT THEIR FREEDOM TO CHOOSE FOR THEMSELVES. BUT THE MARIANAS PEOPLE DESERVE THE SAME RESPECT IN EXERCISING THEIR RIGHT TO CHOOSE A POLITICAL STRUCTURE BEST SUITED TO THEIR NEEDS AND ASPIRATIONS.

FOURTH, THIS COMMISSION WAS CREATED TO PLAN FOR THE FUTURE--NOT TO RECAPTURE THE PAST! WE ARE STRIVING TO CREATE A POLITICAL STATUS WHICH IS DESIGNED TO MEET THE PRESSING DEMANDS OF THE PRESENT AND THE UNKNOWN DEMANDS OF THE FUTURE. WE RECOGNIZE THE PRACTICAL LIMITATIONS OF A SMALL ISLAND COMMUNITY IN TRYING TO DEAL WITH THE ANTICIPATED PROBLEMS OF THIS CENTURY AND THE NEXT. FOR THIS REASON, THIS COMMISSION IS CHARGED WITH THE RESPONSIBILITY FOR DESIGNING A RELATIONSHIP WITH THE UNITED STATES WHICH OFFERS SUPPORT AND SECURITY FOR OUR PEOPLE, AS WELL AS OPPORTUNITY FOR DEVELOPMENT AND SELF-GOVERNMENT.

THESE, THEN, ARE THE REASONS WHY THIS COMMISSION WAS CREATED TWO AND ONE HALF YEARS AGO TO UNDERTAKE THESE STATUS NEGOTIATIONS. IT IS IN LIGHT OF THESE GENERAL OBJECTIVES THAT OUR WORK TO DATE MUST BE EVALUATED.

II

THE TWO DELEGATIONS HAVE MADE GREAT PROGRESS IN THE PAST TWO YEARS OF NEGOTIATIONS. THIS PROGRESS COULD NOT HAVE BEEN POSSIBLE WITHOUT THE FINANCIAL SUPPORT AND

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THE LEADERSHIP OF THE MARIANAS DISTRICT LEGISLATURE. THESE NEGOTIATIONS HAVE REQUIRED DETAILED STUDIES OF MANY COMPLEX LEGAL AND ECONOMIC SUBJECTS. ONLY WITH THE SUPPORT OF THE DISTRICT LEGISLATURE COULD WE HAVE BEEN ABLE TO UNDERTAKE THESE STUDIES AND COME AS FAR AS WE HAVE.

THROUGHOUT THESE NEGOTIATIONS THE COMMISSION HAS TRIED TO KEEP THE PEOPLE FULLY INFORMED. TOGETHER WITH THE U. S. DELEGATION, WE HAVE ISSUED DETAILED COMMUNIQUES AFTER EACH SESSION. WE HAVE HAD NUMEROUS PUBLIC MEETINGS TO DISCUSS THE NEGOTIATIONS ON SAIPAN, TINIAN AND ROTA. THE COMMISSION HAS REPORTED TO THE DISTRICT LEGISLATURE AFTER EACH SESSION AND HAS MET WITH THE VARIOUS MUNICIPAL COUNCILS. ON EACH OCCASION, THE COMMISSION HAS TRIED TO THE BEST OF ITS ABILITY TO ANSWER ALL QUESTIONS FULLY AND FRANKLY. WE RECOGNIZE THAT THE COMMISSION IS SERVING ONLY AS THE REPRESENTATIVE OF THE PEOPLE--AND THAT IT IS THE PEOPLE WHO WILL DECIDE THE FORM OF OUR NEW POLITICAL STATUS.

AS THE FIFTH SESSION BEGINS, THE COMMISSION IS AWARE OF THE CONCERN EXPRESSED BY MANY PEOPLE THAT NOT ENOUGH IS KNOWN ABOUT THE NEGOTIATIONS. BECAUSE OF THIS CONCERN, THE COMMISSION MET YESTERDAY WITH THE MARIANAS DISTRICT LEGISLATURE AND DISCUSSED THE DRAFT STATUS AGREEMENT AND THE OUTSTANDING ISSUES. WE WILL CONTINUE TO MEET WITH THE LEGISLATURE. WE ARE ALSO PLANNING TO MEET SATURDAY WITH THE MUNICIPAL COUNCILS OF TINIAN, ROTA AND SAIPAN, THEIR RESPECTIVE MAYORS, THE LEADERS OF THE TERRITORIAL PARTY, POPULAR PARTY, UNITED

CAROLINIAN ASSOCIATION, AND THE BUSINESS COMMUNITY. WE WANT THESE LEADERS TO HAVE EVERY OPPORTUNITY TO LEARN WHAT WE ARE DOING AND TO GIVE US THEIR VIEWS AGAIN REGARDING OUR FUTURE POLITICAL STATUS.

IN ADDITION, THE COMMISSION WANTS TO USE EVERY AVAILABLE OPPORTUNITY TO REPORT TO THE PEOPLE GENERALLY REGARDING THESE NEGOTIATIONS. MUCH IS KNOWN BY THE PUBLIC ALREADY ABOUT THE TENTATIVE AGREEMENTS REACHED TO DATE IN THESE NEGOTI-ATIONS. IT MIGHT BE USEFUL, HOWEVER, TO USE THIS OCCASION TO SUMMARIZE THE PRELIMINARY AGREEMENTS WHICH ARE REFLECTED IN THE DRAFT STATUS AGREEMENT WHICH WILL BE THE FOCUS OF OUR ATTENTION AT THIS SESSION OF NEGOTIATIONS.

III

THE MAJOR PROVISIONS OF THE DRAFT STATUS AGREEMENT WITH WHICH WE ARE WORKING CAN BE BROKEN DOWN INTO SIX GENERAL CATEGORIES: ONE, THE DEFINITION OF THE POLITIDAL RELATION-SHIP; TWO, PROVISIONS FOR U. S. CITIZENSHIP AND NATIONALITY; THREE, DETERMINATION OF THE APPLICATION OF U. S. LAWS; FOUR, PROVISIONS RELATING TO LAND; FIVE, THE ECONOMIC AND FINANCIAL PROVISIONS; AND SIX, THE APPROVAL AND TIMING PROVISIONS. A BRIEF REVIEW OF EACH OF THESE CATEGORIES OF PROVISIONS SHOWS THAT WE HAVE MADE VERY SUBSTANTIAL PROGRESS--BUT THAT THERE ARE STILL IMPORTANT ISSUES REMAINING TO BE RESOLVED. THE FIRST CATEGORY CONCERNS THE POLITICAL RELATIONSHIP

BETWEEN THE NORTHERN MARIANAS AND THE UNITED STATES. THE

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AGREEMENT WILL PROVIDE THAT THE NORTHERN MARIANAS WILL BECOME. UPON TERMINATION OF THE TRUSTEESHIP AGREEMENT. A SELF-GOVERNING COMMONWEALTH IN POLITICAL UNION WITH THE UNITED STATES. THE RIGHT OF LOCAL SELF-GOVERNMENT OF THE PEOPLE OF THE NORTHERN MARIANAS WILL EXPLICITLY BE RECOGNIZED IN THE AGREEMENT. THE PEOPLE WILL FORMULATE AND APPROVE THEIR OWN LOCAL CONSTITUTION, WHICH WILL CONTAIN A BILL OF RIGHTS AND PROVIDE FOR SEPARATE EXECUTIVE, LEGISLATIVE AND JUDICIAL BRANCHES. THERE WILL BE A POPULARLY ELECTED GOVERNOR AND A POPULARLY ELECTED LEGISLATURE. THE REPRESENTATION FOR EACH ISLAND IN THE LEGISLATURE WILL BE DETERMINED BY THE LOCAL CONSTITUTION. LOCAL COURTS CAN BE ESTABLISHED AS DETERMINED BY LOCAL LAW. WE WILL BE DISCUSSING IN THESE NEGOTIATIONS LIMITATIONS ON THE FEDERAL AUTHORITY WHICH WILL PROVIDE EVEN FURTHER ASSURANCES OF LOCAL SELF-GOVERNMENT.

THERE ARE OTHER IMPORTANT ASPECTS OF THE POLITICAL **RELATIONSHIP. THE UNITED STATES WILL HAVE SOVEREIGNTY IN** THE NORTHERN MARIANAS, AND APPLICABLE FEDERAL LAW WILL BE THE SUPREME LAW, AS IS TRUE IN ALL STATES, TERRITORIES AND PUERTO RICO. THE UNITED STATES WILL HAVE FULL AUTHORITY WITH RESPECT TO DEFENSE AND FOREIGN AFFAIRS, AND WILL CONSIDER THE ADVICE OF THE NORTHERN MARIANAS ON MATTERS OF CONCERN TO IT. THE FUNDAMENTAL PROVISIONS OF THE STATUS AGREEMENT WILL NOT BE SUBJECT TO CHANGE WITHOUT THE CONSENT OF THE GOVERNMENT OF THE NORTHERN MARIANAS AND THE GOVERNMENT OF THE UNITED STATES. THIS GUARANTEES THAT THE BASIC RELATIONSHIP WILL BE PERMANENT UNLESS BOTH SIDES WANT A CHANGE. WE WILL

HAVE FURTHER DISCUSSIONS CONCERNING THE PRECISE PROVISIONS TO BE ON THE "MUTUAL CONSENT" LIST, BUT WE HAVE AGREED THAT PROVISIONS ESTABLISHING THE COMMONWEALTH. GUARANTEEING THE RIGHT OF LOCAL SELF-GOVERNMENT, PROVIDING U. S. CITIZENSHIP OR NATIONALITY, AND APPLYING THE U. S. CONSTITUTION TO THE NORTHERN MARIANAS ARE FUNDAMENTAL AND WILL NOT BE SUBJECT TO CHANGE WITHOUT MUTUAL CONGENT.

FINALLY WITH RESPECT TO THE POLITICAL RELATIONSHIP. WE HAVE AGREED THAT THE NORTHERN MARIANAS WILL BE ENTITLED TO AN OFFICIAL REPRESENTATIVE IN WASHINGTON. YOU HAVE SAID YOU WILL SUPPORT OUR REQUEST FOR A NON-VOTING DELEGATE IN THE U. S. CONGRESS. WE WILL WANT TO DISCUSS AGAIN AT THIS SESSION ADDITIONAL ASSURANCES CONCERNING OUR NON-VOTING DELEGATE. THE STATUS AGREEMENT WILL ALSO PROVIDE FOR REGULAR CONSULTATION BETWEEN THE TWO GOVERNMENTS CONCERNING THE RELATIONSHIP AFTER IT IS APPROVED.

THE SECOND GENERAL CATEGORY OF PROVISIONS CONCERNS U. S. CITIZENSHIP AND NATIONALITY. WE HAVE AGREED THAT UPON TERMINATION OF THE TRUSTEESHIP, THE FOLLOWING PERSONS AND THEIR MINOR CHILDREN WILL BECOME U. S. CITIZENS, OR IF THEY WISH. U. S. NATIONALS:

- PERSONS BORN IN THE NORTHERN MARIANAS AND DOMICILED - PERSONS WHO ARE TTPI CITIZENS WHO HAVE BEEN DOMICILED

HERE OR IN THE U. S. OR ITS TERRITORIES: IN THE NORTHERN MARIANAS FOR AT LEAST FIVE YEARS PRIOR TO TERMINATION AND WHO REGISTERED TO VOTE HERE BEFORE THE STATUS

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AGREEMENT WAS SIGNED; AND

- PERSONS WHO ARE NOT TTPI CITIZENS OR CITIZENS OF FOREIGN COUNTRIES AND WHO HAVE BEEN DOMICILED HERE SINCE BEFORE THE AGREEMENT WAS SIGNED.

PERSONS BORN IN THE NORTHERN MARIANAS AFTER TERMINA-TION WILL BE U. S. CITIZENS.

THE THIRD CATEGORY OF PROVISIONS CONCERNS THE APPLICATION OF U. S. LAWS TO THE NORTHERN MARIANAS. WE HAVE AGREED THAT THE NORTHERN MARIANA ISLANDS WILL BE TREATED AS IF IT WERE A STATE FOR PURPOSES OF THE APPLICATION OF MUCH OF THE U. S. CONSTITUTION, INCLUDING ALL OF THE BILL OF RIGHTS. THIS MEANS THAT INDIVIDUAL FREEDOMS WILL BE PROTECTED AGAINST INTRUSION BY THE FEDERAL GOVERNMENT AS WELL AS BY THE LOCAL GOVERNMENT. SPECIAL PROVISIONS ARE INCLUDED IN THE STATUS AGREEMENT TO ASSURE THAT THE LOCAL GOVERNMENT CAN IMPOSE RESTRAINTS ON LAND ALIENATION, AND THAT THE LOCAL LEGISLATURE CAN HAVE REPRESENTATIVES FROM TINIAN AND ROTA, AS DETERMINED BY THE LOCAL CONSTITUTION, IN EXCESS OF THE NUMBER THEY WOULD BE PERMITTED ON A STRICT POPULATION BASIS.

WE HAVE ALSO REACHED AGREEMENTS CONCERNING THE APPLICATION OF U. S. LAWS GENERALLY AND WITH RESPECT TO CERTAIN IMPORTANT U. S. LAWS. THE DRAFT STATUS AGREEMENT CONTAINS A FORMULA WHICH GENERALLY MAKES FEDERAL LAWS WHICH ARE APPLICA-BLE TO GUAM AND TO THE STATES APPLICABLE TO THE NORTHERN MARIANA ISLANDS. LAWS PROVIDING FEDERAL PROGRAMS AND SERVICES ARE SPECIFICALLY MADE APPLICABLE TO THE NORTHERN MARIANAS, ESSENTIALLY IN THE SAME MANNER THAT THEY APPLY TO GUAM. A COMMISSION ON FEDERAL LAWS WILL BE ESTABLISHED WITH SEVEN MEMBERS (AT LEAST THREE FROM THE NORTHERN MARIANAS) TO MAKE A FURTHER REVIEW OF FEDERAL LAWS AND TO MAKE RECOMMENDATIONS CONCERNING THEIR APPLICATION.

CERTAIN IMPORTANT U. S. LAWS ARE DEALT WITH SPECIFICALLY IN THE DRAFT. FOR EXAMPLE, WE HAVE AGREED THAT THE NORTHERN MARIANAS WILL BE OUTSIDE THE U. S. CUSTOMS TERRITORY, AND THAT OUR PRODUCTS WILL ENTER THE CUSTOMS TERRITORY FREE OF U. S. DUTY. THE APPLICATION CF THE U. S. INCOME TAX LAWS, ON THE OTHER HAND, HAS NOT YET BEEN DETERMINED, AND WE WILL HAVE TO DISCUSS THIS MATTER FURTHER. IT HAS BEEN AGREED, HOWEVER, THAT ALL FEDERAL TAXES COLLECTED HERE WILL AUTOMATICALLY BE RETURNED TO THE LOCAL GOVERNMENT, AND THAT THE LOCAL GOVERNMENT WILL HAVE THE AUTHORITY TO IMPOSE LOCAL TAXES AS IT SEES FIT AND TO REBATE TAXES TO LOCAL CITIZENS IN ACCORDANCE WITH LOCAL LAW.

IN ADDITION, IT HAS BEEN AGREED THAT THE U. S. WILL ESTABLISH A FEDERAL COURT FOR THE NORTHERN MARIANAS TO HANDLE FEDERAL CASES AND SUCH LOCAL CASES AS THE LOCAL LEGISLATURE DETERMINES.

THE FOURTH GENERAL CATEGORY CONCERNS LAND. THIS HAS TAKEN A GOOD DEAL OF OUR ATTENTION--BOTH IN NEGOTIATIONS AND IN COMMITTEE MEETINGS BETWEEN SESSIONS. MUCH HAS BEEN RESOLVED, BUT MUCH REMAINS TO BE DONE. RECOGNIZING THAT THERE ARE RESPONSIBILITIES AS WELL AS BENEFITS OF AMERICAN

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CITIZENSHIP AND POLITICAL UNION WITH THE UNITED STATES. THE COMMISSION AGREED TO INCLUDE IN THE STATUS AGREEMENT PROVISIONS PERMITTING THE UNITED STATES TO USE LAND IN THE NORTHERN MARIANAS FOR DEFENSE PURPOSES. IT WAS AGREED THAT THE UNITED STATES WILL BE ABLE TO USE APPROXIMATELY 7,200 HECTARES ON TINIAN, 195 HECTARES AT ISLEY FIELD AND 70 HECTARES AT TANAPAG HARBOR ON SAIPAN, AND THE 80 HECTARES OF FARALLON DE MEDINILLA. THE TERMS ON WHICH THE LAND WILL BE MADE AVAILABLE ARE NOT YET RESOLVED, HOWEVER. THE U. S. WANTS TO PURCHASE THE LAND IT WILL USE FOR DEFENSE PURPOSES. THE COMMISSION CANNOT AGREE TO THAT, AND WE HAVE PROPOSED INSTEAD A 50 YEAR LEASE WITH AN OPTION TO RENEW FOR AN ADDITIONAL 50 YEARS. THE PRICE TO BE PAID FOR THE LAND NEEDS ALSO TO BE RESOLVED. IT IS OUR ESTIMATE THAT THE LAND USE ARRANGEMENT PRICE WILL PROVIDE APPROXIMATELY \$1.0 to \$2.5 MILLION EVERY YEAR FOR THE NORTHERN MARIANAS, BUT THIS TOO REQUIRES ADDITIONAL DISCUSSION. ALSO TO BE THE SUBJECT OF NEGOTIATION ARE OTHER IMPORTANT TERMS OF THE LAND USE ARRANGEMENT. ON THIS WE HAVE MADE MUCH PROGRESS. ALREADY AGREEING THAT THERE WILL BE PROVISIONS DEALING WITH REVERSION OF THE LAND FOR NON-USE BY THE U. S.; LEASEBACK OF LAND TO THE LOCAL GOVERNMENT; ACCESSIBILITY TO NATURAL RESOURCES ON THE LAND MADE AVAILABLE; JOINT USE OF THE HARBOR AND AIR FIELD ON TINIAN; JOINT PLANNING AND DEVELOPMENT OF UTILITIES ON TINIAN; A MEMORIAL PARK AND RECREATIONAL FACILITIES AT TANAPAG HARBOR; SAFETY AND ENVIRONMENTAL PROTECTION; THE ESTABLISHMENT OF A JOINT CIVILIAN-MILITARY

RELATIONS COMMITTEE; AND RETURN OF ALL MILITARY RETENTION LAND NOT TO BE USED BY THE UNITED STATES UNDER THE STATUS AGREEMENT.

ALSO WITH RESPECT TO LAND, AND CRITICALLY IMPORTANT TO THE COMMISSION, IT HAS BEEN AGREED THAT THE LOCAL GOVERNMENT WILL BE ABLE TO PREVENT PERSONS WHO ARE NOT OF NORTHERN MARIANAS DESCENT FROM OWNING LAND, NOTWITHSTANDING ANY OTHERWISE APPLICABLE PART OF THE CONSTITUTION OR LAWS OF THE UNITED STATES. CRITICALLY IMPORTANT TO US AS WELL IS AN ISSUE WHICH IS NOT YET RESOLVED: THE MANNER IN WHICH THE U. S. WILL EXERCISE AND THE EXTENT TO WHICH IT WILL POSSESS THE POWER OF EMINENT DOMAIN. THIS WILL BE DISCUSSED IN DEPTH, I AM SURE. WE ARE PLEASED TO NOTE THAT THE U. S. HAS AGREED TO MAKE CLEAR THAT IT HAS NO PRESENT NEED FOR OR INTENTION TO ACQUIRE ADDITIONAL LAND OR ANY GREATER INTEREST IN LAND THAN THAT GRANTED TO IT UNDER THE STATUS AGREEMENT, AND TO COMMIT ITSELF TO RESPECT THE SCARCITY AND SPECIAL IMPORTANCE OF LAND HERE AND TO ACQUIRE ONLY THE MINIMUM AMOUNT OF LAND AND INTEREST IN LAND REQUIRED. THE FIFTH CATEGORY CONCERNS ECONOMIC AND FINANCIAL

PROVISIONS. AS HAS PREVIOUSLY BEEN ANNOUNCED, THE UNITED STATES WILL PROVIDE \$1.5 MILLION FOR TRANSITION AND PLANNING. INCLUDING POLITICAL EDUCATION FOR THE PLEBISCITE ON THE STATUS AGREEMENT AND A LOCAL CONSTITUTIONAL CONVENTION AND A REFERENDUM ON THE CONSTITUTION. THE UNITED STATES WILL PROVIDE A GUARANTEED LEVEL OF DIRECT BUDGET ASSISTANCE

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OF \$13.5 MILLION (IN CONSTANT 1975 DOLLARS) FOR EACH OF SEVEN FISCAL YEARS, AND THEREAFTER UNTIL CONGRESS ACTS TO CHANGE THE LEVEL OF SUPPORT. THESE FUNDS WILL BE USED FOR CAPITAL IMPROVEMENT PROJECTS, FOR GOVERNMENT OPERATIONS AND FOR ECONOMIC DEVELOPMENT. ALSO, AS I HAVE NOTED BEFORE, THE FULL RANGE OF FEDERAL PROGRAMS AND SERVICES AVAILABLE TO THE U. S. TERRITORIES WILL BE AVAILABLE TO THE NORTHERN MARIANÁS. THE VALUE OF THESE PROGRAMS AND SERVICES IS ESTIMATED TO BE AT LEAST \$3.0 MILLION ANNUALLY. THE NORTHERN MARIANAS WILL BE A FULL PARTICIPANT IN THE U. S. SOCIAL SECURITY SYSTEM AFTER TERMINATION OF THE TRUSTEESHIP WITH CREDIT GIVEN FOR PARTICIPATION IN THE MICRONESIAN SYSTEM--AND THAT SYSTEM WILL REMAIN EFFECTIVE UNDER U. S. ADMINISTRATION UNTIL TERMINATION. FINALLY, FEDERAL DUTIES, EXCISES AND OTHER TAXES COLLECTED IN THE MARIANAS--INCLUDING THOSE COLLECTED FROM THE U. S. MILITARY PERSONNEL--WILL BE RETURNED TO THE LOCAL GOVERNMENT. THIS SUM IS ESTIMATED AT \$3.0 MILLION A YEAR WHEN THE TINIAN BASE IS FULLY OPERATIONAL. THIS WILL BE IN ADDITION TO THE AMOUNT PAID FOR THE USE OF THE LAND.

SIXTH, AND FINALLY, ARE THE PROVISIONS FOR APPROVAL AND TIMING OF THE STATUS AGREEMENT. WE HAVE AGREED THAT THE STATUS AGREEMENT WILL BE SUBMITTED TO THE MARIANA ISLANDS DISTRICT LEGISLATURE FOR ITS APPROVAL AND THEN--AFTER FULL AND FREE DEBATE AND EXTENSIVE POLITICAL EDUCATION--TO THE PEOPLE OF THE NORTHERN MARIANAS. U. S. APPROVAL WILL BE GIVEN BY THE CONGRESS AND PRESIDENT IN ACCORDANCE WITH CONSTITUTIONAL PROCESSES. AFTER APPROVAL OF THE STATUS AGREEMENT AND OF THE LOCAL CONSTITUTION ARE COMPLETE, VIRTUALLY ALL OF THE STATUS AGREEMENT'S PROVISIONS WILL COME INTO EFFECT, EVEN IF THE TRUSTEESHIP IS NOT YET TERMINATED. HOWEVER, CERTAIN PROVISIONS--PARTICULARLY U. S. CITIZENSHIP AND NATIONALITY, U. S. SOVEREIGNTY, AND THE ESTABLISHMENT OF A COMMONWEALTH IN POLITICAL UNION WITH THE UNITED STATES--WILL NOT BE EFFECTIVE UNTIL TERMINATION.

IV

AS THIS REVIEW OF THE DRAFT STATUS AGREEMENT SHOWS, THERE ARE IMPORTANT AND SERIOUS ISSUES WHICH MUST BE RESOLVED BEFORE OUR WORK IS COMPLETED AND THE FINAL STATUS AGREEMENT IS PRESENTED TO THE DISTRICT LEGISLATURE, TO OUR PEOPLE AND TO THE U. S. CONGRESS. WE WILL HAVE TO DISCUSS, AMONG OTHER IMPORTANT ISSUES, THE SCOPE OF U. S. LEGISLATIVE AUTHORITY TO ASSURE THAT IT IS STATED IN A WAY WHICH ASSURES LOCAL CONTROL OF LOCAL AFFAIRS; THE PROVISIONS OF THE STATUS AGREEMENT TO BE SUBJECT TO MUTUAL CONSENT; THE PRECISE APPLICATION OF THE FEDERAL INCOME TAX LAWS AND CERTAIN OTHER LAWS; METHODS OF FURTHER GUARANTEEING U. S. FINANCIAL ASSISTANCE TO REACH APPROPRIATE GOALS; THE SCOPE OF AND PROCEDURES RELATED TO THE FEDERAL EMINENT DOMAIN POWER; AND ADDITIONAL PROVISIONS RELATING

TO OUR REPRESENTATION IN WASHINGTON. THESE ISSUES WILL REQUIRE CREATIVE AND THOUGHTFUL COOPERATION.

ALSO TO BE RESOLVED ARE A VARIETY OF ISSUES RELATING TO LAND. WE HAVE AGREED THAT THE STATUS AGREEMENT WILL, AFTER APPROVAL, PERMIT THE U. S. TO USE A LARGE PORTION OF OUR SCARCE LAND FOR DEFENSE PURPOSES. YOU HAVE ASKED THAT THE UNITED STATES BE PERMITTED TO PURCHASE THIS LAND. WE UNDERSTAND YOUR REASONS FOR WANTING TO PURCHASE LAND. BUT YOU MUST UNDERSTAND THAT WE CANNOT ACCEDE TO THIS REQUEST. LAND IS THE MOST PRECIOUS RESOURCE OF THE NORTHERN MARIANAS. WE CANNOT PERMIT THE PERMANANT ALIENATION OF SO MUCH LAND EVEN TO THE U. S. GOVERNMENT. WE HAVE PROPOSED A 50 YEAR LEASE WITH AN OPTION TO RENEW FOR 50 YEARS--A PROPOSAL WHICH, WE BELIEVE, FULLY PROTECTS THE U. S. SECURITY INTERESTS WITH RESPECT TO ITS BASE. THIS ISSUE MUST BE RESOLVED TO THE SATISFACTION OF THE COMMISSION BEFORE WE CAN SIGN A STATUS AGREEMENT.

FINALLY, WE MUST DETERMINE THE PRICE WHICH THE UNITED STATES WILL PAY FOR THE INTEREST IN LAND TO BE MADE AVAILABLE TO IT UNDER THE STATUS AGREEMENT. WE MUST AGREE ON A FAIR PRICE, A PRICE WHICH OUR PEOPLE WILL ACCEPT AS REFLECTING THE PRESENT FAIR MARKET VALUE OF OUR SCARCE LAND. THROUGH THE JOINT LAND COMMITTEE WE HAVE HAD MANY DISCUSSIONS OF WHAT IS A FAIR PRICE. OUR POSITION, AS YOU KNOW, IS BASED ON AN EXTENSIVE STUDY BY A RENOWNED EXPERT IN LAND APPRAISAL TECHNIQUES. YOUR POSITION, LIKEWISE, IS BASED ON YOUR EXPERTS' VIEWS. RESOLUTION OF THE ISSUE IS NOT NOW FOR THE EXPERTS. RATHER IT LIES FOR US AS NEGOTIATORS TO REACH AN ACCOMMODATION WE BOTH AGREE IS JUST--AN ACCOMMODATION WHICH WILL BE APPROVED WE BY THOSE WHO ARE PRIVILEGED TO REPRESENT.

v

I HAVE MENTIONED A NUMBER OF ISSUES WHICH WILL REQUIRE THE ATTENTION OF THE NEGOIATORS IN THE NEXT WEEKS. BUT THERE ARE OTHER ISSUES WITH WHICH WE MUST BE CONCERNED AS WELL, BECAUSE THEY ARE OF CONCERN TO OUR PEOPLE. IN PARTICULAR, PROBLEMS RELATING TO WAR CLAIMS, THE RETURN OF PUBLIC LAND, AND HOMESTEADING MUST BE SOLVED. SINCE ALL THREE OF THESE MATTERS RELATE TO ACTIONS OF THE TRUST TERRITORY AND UNITED STATES GOVERNMENTS, I WANT TO TAKE THE TIME TO DISCUSS THEM TODAY.

FIRST, WAR CLAIMS. AT THE DIRECTION OF THE DISTRICT LEGISLATURE WE HAVE INVESTIGATED THE VERY SERIOUS PROBLEMS RELATING TO THE PAYMENT OF WAR CLAIMS IN THE NORTHERN MARIANAS. WE HAVE FOUND THAT THE COMPLAINTS ABOUT THE ADMINISTRATION OF THE PROGRAM ARE LARGELY JUSTIFIED. THE MARIANAS HAVE BEEN DISCRIMINATED AGAINST; CLAIMS IN OTHER DISTRICT WERE BEING MORE RAPIDLY PROCESSED. AT OUR MEETING YESTERDAY WITH THE NEW CHAIRMAN OF THE WAR CLAIMS COMMISSION WE WERE ASSURED THAT HE RECOGNIZES THE PAST PROBLEMS AND

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IS MOVING TO ELIMINATE THEM BY ASSIGNING A HIGH PRIORITY TO MARIANAS CLAIMS AND BY DIRECTING THAT 40% OF THE AVAILABLE MANPOWER BE UTILIZED TO DEAL EXCLUSIVELY WITH MARIANAS CLAIMS. THIS WAS AN ENCOURAGING REPORT. BUT WE WERE ALSO TOLD THAT OBTAINING ADEQUATE FUNDING OF THE WAR CLAIMS COMMISSION REQUIRED ADDITIONAL ACTION BY THE EXECUTIVE AND LEGISLATIVE BRANCHES OF THE U.S. GOVERNMENT. WE BRING THIS NEED TO YOUR ATTENTION, MR. AMBASSADOR, JUST AS WE WILL BRING IT TO THE ATTENTION OF OTHER OFFICIALS OF YOUR GOVERNMENT--OF OUR GOVERNMENT--TO SECURE APPROPRIATE ACTION.

SECOND, PUBLIC LANDS. THE MEMBERS OF THE COMMISSION, LIKE ALL OTHERS IN THE NORTHERN MARIANAS, HAVE LONG DESIRED AND OFTEN DEMANDED THE RETURN OF PUBLIC LANDS HERE TO THEIR RIGHTFUL OWNERS, THE PEOPLE OF THIS DISTRICT. WE GENERALLY SUPPORTED THE U. S. POLICY STATEMENT ISSUED OVER A YEAR AGO CONCERNING THE RETURN OF PUBLIC LAND. LEGISLATION TO ACCOMPLISH THIS GOAL, HOWEVER, HAS NOT SUCCESSFULLY BEEN ENACTED BY THE CONGRESS OF MICRONESIA--AT ONE SESSION SINCE THE POLICY STATEMENT NO LEGISLATION WAS PASSED AND AT ANOTHER THE BILL WAS VETOED. WE HAVE WAITED LONG ENOUGH--TOO LONG--FOR OUR LAND. THERE IS NO TIME FOR FALSE PRIDE OR INSISTENCE ON MERE FORM. OUR LAND LIES BARREN WHEN IT COULD BE USED BY OUR PEOPLE FOR THEIR BENEFIT. ACCORDINGLY, WE SUPPORT THE PROMPT RETURN OF OUR PUBLIC LAND BY EXECUTIVE ORDER OR OTHERWISE IN ACCORDANCE WITH THE POLICY STATEMENT. WE DO NOT AGREE IN ALL RESPECTS WITH THAT STATEMENT, TO BE SURE, BUT IT WILL RESULT IN THE IMMEDIATE RETURN OF MUCH, IF NOT ALL, OF OUR LAND. ISSUES RELATING TO THAT PUBLIC LAND NOT RETURNED TO US CAN, AND MUST, BE DEALT WITH IN THESE NEGOTIATIONS OR IN OTHER WAYS.

THIRD, THE SUBJECT OF HOMESTEADING ON TINIAN. AS YOU KNOW, THE COMMISSION HAS ESTABLISHED A SPECIAL SUBCOMMITTEE ON THIS SUBJECT IN RESPONSE TO THE EXPRESSIONS OF CONCERN FROM THE PEOPLE OF TINIAN AND THE DISTRICT LEGISLATURE. WE HAVE MET WITH THE DISTRICT ADMINISTRATOR AND YESTERDAY, WITH YOUR ASSISTANCE, THE COMMISSION'S REPRESENTATIVES MET WITH THE HIGH COMMISSIONER ON THIS IMPORTANT TOPIC. OUR EFFORTS HAVE HAD TWO SIMPLE OBJECTIVES. FIRST, WE BELIEVE THAT A HIGHER PRIORITY MUST BE ASSIGNED TO SOLVING THE HOMESTEADING PROBLEM ON TINIAN. SECOND, WE BELIEVE THAT MORE MONEY MUST BE ALLOCATED BY THE TRUST TERRITORY TO CONDUCT THE NECESSARY SURVEYS. THE COMMISSION APPRECIATES THE SUPPORT WHICH YOU HAVE PROVIDED US IN TRYING TO ACHIEVE THESE GOALS. BASED ON YESTERDAY'S MEETING, WE ARE HOPEFUL THAT A PUBLIC ANNOUNCEMENT WILL BE MADE SHORTLY BY THE DISTRICT ADMINISTRATOR REPORTING THE SPECIFIC AND CONSTRUCTIVE DECISIONS ARRIVED AT YESTERDAY. THESE PROMISED STEPS ARE THE NECESSARY FIRST STEPS TOWARD SOLVING THE PROBLEMS OF CONCERN TO THE PEOPLE OF TINIAN, AND TO THE ENTIRE MARIANAS DISTRICT. WHEN THEY ARE ACTUALLY TAKEN, THE COMMISSION WILL BE ABLE TO DEVOTE MORE OF ITS ATTENTION TO THE OTHER ISSUES BEFORE US.

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VI

THE AGENDA OF OUR NEGOTIATIONS IS FULL OF IMPORTANT AND DIFFICULT MATTERS. TO OUR TASK WE BRING, AS WE KNOW YOU BRING, MR. AMBASSADOR, THE SAME GOOD FAITH AND WILLINGNESS TO WORK THAT HAS MARKED ALL OF OUR TALKS. ON THIS SIDE OF THE TABLE, WE REPRESENT A WIDE VARIETY OF INTERESTS--THE POLITICAL PARTIES, THE ETHNIC GROUPS, THE INDIVIDUAL ISLANDS, THE LEGISLATIVE BODIES AND THE BUSINESS COMMUNITY OF THE NORTHERN MARIANAS. HOWEVER, WE ON THE COMMISSION ARE UNITED BEHIND TWO PRINCIPLES WHICH WE BELIEVE WILL HELP BRING THESE NEGOTIATIONS TO A SUCCESSFUL CONCLUSION. WE DEEPLY BELIEVE THAT A CLOSE AND ENDURING RELATIONSHIP WITH THE UNITED STATES, IN THE FORM OF A COMMONWEALTH STATUS, IS WHAT THE PEOPLE WANT. AND WE ARE DETERMINED TO START THE MARCH TOWARD COMMONWEALTH STATUS BY SIGNING A STATUS AGREEMENT AS SOON AS--BUT NOT ONE MOMENT BEFORE--ALL OF THE ISSUES RAISED BY OUR NEGOTIATIONS ARE RESOLVED IN A WAY WHICH FULLY PROTECTS THE INTERESTS OF OUR PEOPLE.

STATEMENT OF AMBASSADOR F. HAYDN WILLIAMS THE PRESONAL REPRESENTATIVE OF THE PRESIDENT FOR MARIANAS STATUS NEGOTIATIONS SECOND PLENARY SESSION FIFTH SESSION OF THE MARIANAS STATUS NEGOTIATIONS DECEMBER 19, 1974 SAIPAN

MR. CHAIRMAN, HONORED GUESTS, MEMBERS OF THE MARIANAS POLITICAL STATUS COMMISSION, LADIES AND GENTLEMEN:

WE ARE GATHERED HERE THIS AFTERNOON AT THE CLOSE OF 15 DAYS OF HARD WORK AND STEADY PROGRESS TOWARD OUR COMMON OBJECTIVE WHICH IS A NEW POLITICAL STATUS FOR THE NORTHERN MARIANAS. IN MY STATEMENT AT THE OPENING PLENARY SESSION OF THE 5TH ROUND OF THESE NEGOTIATIONS ON DECEMBER 5, 1974, I SAID THAT "WE MUST DO OUR UTMOST -- ALL OF US -- TO SEE THAT CORRECT AND CONTINUING INFORMATION ON OUR TALKS IS AVAILABLE TO THOSE MOST DIRECTLY CONCERNED -- THE PEOPLE OF THE NORTHERN MARIANAS." I SAID FURTHER THAT THE PEOPLE, ALL OF THE PEOPLE, HAD A RIGHT TO KNOW AND A NEED TO KNOW THE FACTS ABOUT THESE NEGOTIATIONS SINCE IN THE END IT WILL BE THEY AND NOT US WHO WILL BE MAKING THE FINAL DECISIONS HERE IN THE MARIANAS WITH RESPECT TO THEIR OWN FUTURE.

WITH THIS OBLIGATION IN MIND IT GIVES ME PLEASURE TO BE ABLE TO REPORT TO THE PEOPLE OF THE NORTHERN MARIANAS THIS AFTERNOON ON OUR WORK OVER THE PAST TWO WEEKS. THE RECORD OF OUR ACHIEVEMENTS IS TO BE FOUND IN THE DRAFT COVENANT WHICH IS BEING RELEASED THIS AFTERNOON ALONG WITH A JOINT COMMUNIQUE WHICH SUMMARIZES THE UNDERSTANDINGS WE HAVE REACHED. THE COMMONWEALTH

COVENANT IS AN OPEN DOCUMENT FOR ALL TO READ. IT IS ALSO PROVISIONAL IN THE SENSE THAT THERE ARE A LIMITED NUMBER OF SECTIONS WHICH BOTH THE MARIANAS POLITICAL STATUS COMMISSION AND THE UNITED STATES WISH TO REVIEW CAREFULLY BEFORE WE MEET AGAIN AND BEFORE WE FORMALIZE THE UNDERSTANDINGS BY SIGNATURE OF THE COVENANT. THE SIGNING OF THE COVENANT WILL THEN MEAN THAT THE COMMONWEALTH AGREEMENT IS READY FOR REFERRAL TO THE MARIANAS DISTRICT LEGISLATURE AND AFTER THAT TO THE PEOPLE FOR POPULAR VOTE WHICH WILL BE AN EXERCISE OF THEIR FREE CHOICE AND THEIR FULL RIGHTS OF SELF-DETERMINATION.

I WILL NOT ATTEMPT TO REVIEW THIS AFTERNOON THE DETAILS OF OUR AGREE-MENTS WHICH HAVE NOW CLEARED AWAY ALL OF THE IMPORTANT REMAINING ISSUES STANDING IN THE WAY OF FINAL UNDERSTANDINGS AND AN AGREED COVENANT. AS INDICATED ON DECEMBER 5, 1974 IN THE OPENING STATEMENT OF THE CHAIRMAN OF THE MARIANAS POLITICAL STATUS COMMISSION, ONE OF THE MAJOR REMAINING QUESTIONS WAS LAND. I AM HAPPY TO REPORT THAT BUILDING ON OUR EARLIER UNDERSTANDINGS FULL AGREEMENT HAS NOW BEEN REACHED BETWEEN US ON THE QUESTION OF THE RETURN OF PUBLIC LANDS, LAND ALIENATION, THE LEASING OF LANDS TO THE UNITED STATES GOVERNMENT FOR DEFENSE PURPOSES, THE PRICE TO BE PAID FOR THESE LANDS, AND THE PROVISIONS IN THE COVENANT DEALING WITH EMINENT DOMAIN.

I AM ALSO PLEASED TO REPORT THAT THE UNITED STATES IN FULFILLMENT OF ITS STATEMENT THAT IT DID NOT WANT ITS LANDS ON TINIAN TO LIE UNUSED PENDING LATER DEVELOPMENT OF THE BASE, HAS AGREED TO LEASE BACK TO THE FUTURE GOVERNMENT OF THE NORTHERN MARIANA ISLANDS AND TO PRIVATE INDIVIDUALS SOME 2,648 HECTARES OR 6,458 ACRES ON TINIAN FOR FARMING AND GRAZING AND FOR OTHER PURPOSES WHICH WILL NOT CONFLICT WITH FUTURE MILITARY ACTIVITIES. THESE LEASEBACKS AT A NOMINAL SUM HOPEFULLY WILL ENCOURAGE THE EXPANSION OF AGRICULTURE IN ORDER TO MEET LOCAL DEMANDS FOR FRESH FOOD PRODUCTS AND ALSO THE GROWING EXPORT MARKET FOR FOOD IN NEARBY GUAM AND IN JAPAN. ON SAIPAN UNDER THE TERMS OF THE COVENANT THE UNITED STATES WILL LEASE APPROVIMATELY 72 HECTARES (177 ACRES) IN THE TANAPAG HARBOR AREA FOR CONTINGENCY MULITARY PURPOSES. THERE ARE NO. PRESENT FOR FUTURE MULITARY

LEASE APPROVIMATELY 72 HECTARES (177 ACRES) IN THE UNITED STATES WILL LEASE APPROVIMATELY 72 HECTARES (177 ACRES) IN THE TANAPAG HARBOR AREA FOR CONTINGENCY MILITARY PURPOSES. THERE ARE NO PRESENT FOR FUTURE MILITARY PLANS FOR THIS AREA AND THEREFORE THE UNITED STATES HAS PROPOSED THAT 44 ACRES BE LEASED BACK TO THE GOVERNMENT OF THE NORTHERN MARIANA ISLANDS AND THAT 133 ACRES BE TURNED INTO AN AMERICAN MEORIAL PARK TO HONOR THOSE AMERICAN SOLDIERS, SAILORS, AIRMEN AND MARINES AND THOSE FROM THE NORTHERN MARIANAS WHO LOST THEIR LIVES IN WORLD WAR II IN THESE ISLANDS. I AM PROPOSING TO MY GOVERNMENT THAT THE \$2 MILLION DOLLARS TO BE PAID FOR THE LEASE OF THIS LAND BE PLACED IN TRUST AND THAT THE INCOME BE USED BY THE FUTURE GOVERNMENT OF THE NORTHERN MARIANA ISLANDS TO DEVELOP AND MAINTAIN THE AREA FOR THE PLEASURE AND THE WELFARE OF THE PEOPLE OF THE NORTHERN MARIANA ISLANDS AND AS A PROPER MEMORIAL TO THOSE WE ARE HONORING.

ISLEY FIELD WHICH IS NOW MILITARY RETENTION LAND WILL BE RETURNED TO THE PUBLIC DOMAIN ALONG WITH 485 ACRES OF MILITARY RETENTION LAND ADJACENT TO AND SOUTH OF THE RUNWAY ALONG WITH ALL OF THE MILITARY RETENTION LAND IN THE TANAPAG HARBOR AREA NORTH OF CHARLIE DOCK. ALTOGETHER IN THE NORTHERN MARIANAS, INCLUDING TINIAN, SOME 13,649 ACRES, WILL BE RETURNED. THIS MEANS THAT THE TITLE TO ALL MILITARY RETENTION LANDS WILL HAVE BEEN TRANSFERRED TO THE MARIANAS TO BE HELD IN TRUST FOR THE PEOPLE.

OVER THE YEARS THE U.S. MILITARY HAS STEADILY RELEASED AND RETURNED LAND TO THE TRUST TERRITORY GOVERNMENT TO BE HELD IN TRUST FOR THE PEOPLE. ALL MILITARY RETENTION LANDS HAVE NOW BEEN RETURNED IN PALAU, YAP, TRUK,

PONAPE AND THE MARSHALLS. IN THE MARIANAS A TOTAL OF 19,756 ACRES WAS RETURNED PRIOR TO 1971. WHEN THE 13,849 ACRES OF REMAINING MILITARY RETENTION LAND IN THE MARIANAS IS RETURNED TO THE PEOPLE OF THE MARIANAS, THE TOTAL ACREAGE WHICH WILL THEN BE UNDER MILITARY LEASE AND/OR USE THROUGHOUT ALL OF MICRONESIA WILL BE LESS THAN 3% OF THE TOTAL LAND IN THE TRUST TERRITORY.

I MENTION THIS FOR THE RECORD TO INDICATE THAT THE UNITED STATES DOES APPRECIATE THE IMPORTANCE OF LAND TO THE PEOPLE OF THE MARIANAS AND TO ALL OF THE PEOPLE OF MICRONESIA. TOO MUCH ATTENTION HAS BEEN FOCUSED ON SOME NON-SUBSTANTIVE LAND ISSUES THAT ARE NOT ISSUES AT ALL. ON THE OTHER HAND, THE COMMISSION'S CONCERN AND DETERMINATION TO PROTECT YOUR PEOPLE'S INTEREST AND YOUR FUTURE GENERATIONS' INTERESTS IN LAND HAS BEEN LEGITIMATE, AND YOUR STANCE HAS WON OUR RESPECT AND OUR APPROVAL.

RATHER THAN COMMENTING FURTHER ON LAND AGREEMENTS AND OUR FURTHER AGREEMENTS IN THE AREA OF THE FINANCIAL ASSISTANCE THAT WILL BE PROVIDED I WOULD LIKE TO CONCENTRATE THE REMAINDER OF MY REMARKS ON THE HEART OF THE COVENANT, THOSE BASIC PROVISIONS WHICH IN LONG-RANGE TERMS ARE FAR MORE IMPORTANT TO YOU AND YOUR CHILDREN THAN THE MORE TRANSITORY PROVISIONS RELATING TO GRANTS OF MONEY AND PAYMENTS FOR LAND. I SPEAK OF THE POLITICAL ELEMENTS OF THE COVENANT AND WHAT THESE PROVISIONS WILL MEAN FOR YOUR FUTURE.

THEY CLEARLY MEAN THAT YOU WILL BE A PART OF THE AMERICAN POLITICAL FAMILY LIVING UNDER A DEMOCRATIC FORM OF GOVERNMENT BASED ON THE OLDEST CONSTITUTION CONTINUOUSLY IN FORCE IN THE WORLD TODAY. IT MEANS THAT YOU WILL BE GOVERNED BY CERTAIN PROVISIONS OF THIS CONSTITUTION, BY THOSE TREATIES AND LAWS OF THE UNITED STATES APPLICABLE TO THE NORTHERN MARIANA ISLANDS AND BY YOUR OWN CONSTITUTION, WHICH WILL BE DRAWN UP AND RATIFIED BY THE PEOPLE OF THE NORTHERN MARIANAS. YOURS, LIKE OURS, WILL BE A CONSTITUTION THAT WILL BE BASED ON THE CONSENT OF THE GOVERNED.

THE POLITICAL HISTORY OF THE UNITED STATES SHOWS THE FEDERAL GOVERN-MENT'S RESPECT FOR LOCAL GOVERNMENT, AND IT IS THE SPIRIT OF THE CONGRESS OF THE UNITED STATES NOT TO INTERFERE IN LOCAL AFFAIRS. THE PEOPLE OF THE NORTHERN MARIANAS, HOWEVER, SHOULD KNOW THAT THEIR REPRESENTATIVES ON THE MARIANAS POLITICAL STATUS COMMISSION HAVE CONSISTENTLY TAKEN STEPS TO ASSURE THAT THE LANGUAGE OF THE COVENANT PROVIDES MAXIMUM PROTECTION FOR THE RIGHTS OF THE PEOPLE OF THESE ISLANDS TO GOVERN THEMSELVES AND TO HAVE IN THE FUTURE UNDER A COMMONWEALTH STATUS, FULL RESPONSIBILITY FOR MATTERS OF PURELY LOCAL CONCERN.

THIS MEANS THE NORTHERN MARIANAS WILL HAVE ITS OWN ELECTED CHIEF EXECUTIVE, ITS OWN ELECTED MAWMAKERS, ITS OWN LAWS, ITS OWN COURTS AND ITS OWN JUDGES -- AND IT IS IMPORTANT TO NOTE THAT THE FUNDAMENTAL PROVISIONS OF THE COVENANT DEALING WITH THE RIGHTS OF SELF-GOVERNMENT CANNOT BE CHANGED WITHOUT MUTUAL CONSENT.

THIS IS WHAT THE COVENANT MEANS IN TERMS OF THE RIGHTS OF THE PEOPLE TO ORGANIZE THEIR OWN GOVERNMENT AND TO GOVERN THEMSELVES. NOW WHAT DOES IT MEAN TO AN INDIVIDUAL IN FUNDAMENTAL TERMS?

WHILE THE INDIVIDUAL IN THE NORTHERN MARIANAS WILL NOT HAVE, NORMALLY SPEAKING, MUCH DIRECT CONTACT WITH THE FEDERAL GOVERNMENT, THE PROVISIONS OF THE AMERICAN CONSTITUTION, IN PARTICULAR THE BILL OF RIGHTS, WILL PROVIDE HIM WITH PROTECTION AS TO HIS BASIC CIVIL RIGHTS. THIS PROTECTION WILL BE NO LESS THAN THAT PROVIDED ANYONE LIVING UNDER THE AMERICAN FLAG. THESE BASIC RIGHTS GUARANTEED BY THE CONSTITUTION OF THE UNITED STATES WILL BE INCORPORATED IN THE CONSTITUTION OF THE NORTHERN MARIANAS AND IN YOUR OWN BILL OF RIGHTS IN ACCORDANCE WITH THE TERMS OF THE COVENANT. THESE BASIC HUMAN RIGHTS INCLUDE --

REMARKS OF EDWARD DLG. PANGELINAN CHAIRMAN, MARIANAS POLITICAL STATUS COMMISSION AT THE CLOSING PLENARY MEETING OF THE FIFTH SESSION OF MARIANAS STATUS NEGOTIATIONS

December 19, 1974

Ambassador Williams, members of the U. S. Delegation, members of the Commission, honorable guests, ladies and gentlemen.

On behalf of the Marianas Political Status Commission, it is my pleasure to report regarding the progress made during this Fifth Session of Marianas Status Negotiations.

As the Joint Communique makes clear, this has been an historic session. In essence, the parties to these negotiations have reached agreement on all outstanding issues. We have agreed to recess this session until February 3, 1975, at which time we plan to review the final language of the Covenant and to proceed to sign it. At that point, the Commission will have completed its work--and the final judgment on the proposed new status will be in the hands of the Marianas people.

What has the Commission accomplished in the past two years? We believe that the Covenant made public today answers this question fully and clearly. The Commission has

accomplished what the Mariana Islands District Legislature requested it to do: to negotiate on behalf of the Marianas people a close and enduring political relationship with the United States of America. The exact terms of this new political relationship are set forth in the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America. This is not the time or place to summarize the detailed provisions of the Covenant. It covers a wide variety of topics in its ten articles: the Political Relationship, the Constitution of the Northern Mariana Islands, Citizenship and Nationality, Judicial Authority, Applicability of U.S. laws in the Marianas, Revenue and Taxation, U. S. Financial Assistance, Property and Land Requirements, and Washington Representation and Consultation. The Commission and the U.S. Delegation anticipate that all possible efforts will be made to explain the Covenant to the people in a revitalized and creative political eduction program. The members of the Commission have pledged themselves to such an educational program--so that the final decision of the people will be

a fully informal exercise of their right of self-determination. The Commission is confident that, after review of our work, the people of the Marianas will approve the Covenant.

I would like to take this opportunity to express in public my deepest admiration and respect for each member of this Commission. As I said in my remarks at the opening

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prenary session, the members of this Commission represent a wide variety of interests. At times, we have taken very different positions on important issues in these negotiations. I suppose it can now be said that, from time to time, these differing views have been expressed frankly and emphatically. Throughout our discussions, however, we have remained friends and colleagues. Throughout our negotiations, the members of the Commission have remained united in their determination to represent the people of the Marianas to the best of their ability. And I believe that each of them has done so. I would like to thank the members for their dedication and the personal privilege which I have had of serving as their chairman.

To the members of the U.S. Delegation, I would like to express, on behalf of the Commission, our best wishes for the holiday season. We have negotiated as friends to achieve a mutual objective. The Covenant released today shows that we are very close to our goal. We look forward to seeing you again early next year.

FINAL JOINT COMMUNIQUE ISSUED BY THE UNITED STATES AND THE MARIANAS POLITICAL STATUS COMMISSION ON DECEMBER 19, 1974

From December 5 through December 19, 1974, the Marianas Political Status Commission and the United States Delegation met for the fifth session of negotiations aimed at achieving the long held desire of the people of the Northern Mariana Islands for political union with the United States of America.

An opening plenary meeting was held on December 5 at which Ambassador F. Haydn Williams, the President's Personal Representative, and Senator Edward DLG Pangelinan, Chairman of the Marianas Political Status Commission spoke about the progress of the negotiations and the issues on the agenda for the fifth session. Following that meeting, working sessions of the Commission and the U.S. Delegation were held almost daily. These working meetings were devoted largely to a review of a draft status agreement (to be known as the Covenant) and to a discussion of the terms upon which land needed by the United States for defense purposes would be made available to the United States. The effect of the revised U.S. plans for Tinian was discussed as well. Finally, a number of issues relating to the transition of the Northern Mariana Islands to its new political status were considered.

Agreement was reached between the United States and the Commission on virtually all issues which have been raised in these negotiations. These agreements are reflected in this Joint Communique and in the attached draft Commonwealth Covenant.

COMMONWEALTH COVENANT

At the conclusion of the fourth session of these negotiations a Joint Drafting Committee was established and charged with the preparation of a draft agreement for the consideration of the principals. The draft produced by the Committee reflected areas of preliminary agreement and areas where further discussion by the principals was required. Discussions during this session of talks have resulted in provisional agreement on the attached draft "Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America".

This agreement is provisional due to the desire of each party to review carefully certain sections of the Covenant before signature. In the case of the United States such review would include further consultations with the United States Congress. The Commission will review the provisional agreement with the Marianas District Legislature and others in the Northern Mariana Islands. Additionally, the attached draft is subject in its entirety to a thorough technical review by both parties. Following signature the Covenant will be formally submitted to the Marianas District Legislature and to the people of the Marianas for their approval and then to the U.S. Congress.

In previous negotiating sessions agreement in principle had been tentatively reached on issues such as the nature of the political relationship between the Northern Marianas and the United States, local selfgovernment, U.S. citizenship or nationality for Marianas residents, United States financial assistance, application of federal laws, taxation, the jurisdiction in the Northern Marianas of United States courts and the extent of U.S. military land requirements. During this session these agreements were expanded or modified where necessary and reduced to the language contained in the draft Covenant. In the case of United States military land requirements agreement was reached for the first time on price and method of acquisition. Agreement was also reached on increased levels of direct U.S. financial assistance, in the amounts and for the purposes indicated below. LAND FOR DEFENSE PURPOSES

The total United States need for land for defense purposes in the Northern Mariana Islands is approximately 7557.5 hectares (18,182 acres). The Commission has agreed to provisions in the Covenant which will assure the United States that this need will be met. The land will be made available to the United States by a lease which will be executed by the Northern Marianas Government or by the legal entity established to hold land in trust for the people of the Northern Marianas. The term of the lease will be 50 years, with an option to renew the lease for another 50 years. The United States will make a lump sum payment covering both the initial period and the optional renewal which will total \$19,520,600 for the rights it will obtain under the lease. In addition, the United States has provisionally agreed to lease back substantial portions of the land--approximately 2,666 hectares (6,592 acres)--for the nominal sum of \$1 per acre per year. The agreements with respect to the land which the United States will lease are as follows:

<u>Tinian</u>. The United States will lease approximately 7,203 hectares (17,799 acres) on Tinian and has provisionally agreed that it will lease back, as described below, approximately 2,648 hectares (6,458 acres). The total amount of land to be made available to the U.S. is slightly below the original U.S. estimate of need. This reduction was made in order to permit the Government of the Northern Mariana Islands to retain control over nine acres of valuable land at San Jose Harbor for civilian harbor related purposes. The lump sum payment which the United States will make for the land it will lease on Tinian will be \$17,500,000.

The United States has an important defense requirement for the land which will be leased to it on Tinian. Over the long term in addition to joint service land, sea and air training and maneuvers, the land may be used for ammunition storage and forward logistics, with an operational joint service airfield and a developed harbor to support these activites. In the near term, however, the major planned use for the land on Tinian is for ground, sea and air training exercises. To support these near term operations and to facilitate the rapid build-up in an emergency and the implementation of the full plans for Tinian, the harbor at San Jose will be rehabilitated (including possibly rebuilding the breakwater, dredging the channel and repairing the dock area) and West Field will be upgraded.

The limited base concept in the near term will mean that additional land will be available for lease-back. The U.S. has agreed provisionally to the following: (1) Approximately 1,335 acres south of West Field and at the harbor will be leased back to the Government of the Northern Mariana Islands at such time as these lands are leased to the United States. (2) The lease of approximately 1,624 hectares (4,010 acres north of West Field and east of Broadway now being used by the Micronesian Development Corporation will be allowed to continue in accordance with its terms. (3) An additional 1,113 acres north of West Field and west of Broadway which is presently under either grazing leases or homesteaded by individuals will be acquired by the Northern Mariana Islands Government from the present owners or lessees and leased to the United States as described above. The United States, in turn, will then lease this land back to the persons now using it if they so desire. (4) The fee for all leasebacks will be \$1 per acre per year. The term of the leasebacks will generally be five years with an option to renew if the United States agrees; but the bulk of the land south of West Field will be leased back for ten years to the Government of the Northern Mariana Islands with an option to renew with U.S. approval. (5) The U.S. will be able to cancel any lease-backs on one year's notice or without such notice in the event of urgent military requirements or a national emergency. In either case the lessee will be paid fair compensation. The details of the lease-back arrangement will be contained in a Technical Agreement regarding United States land use in the Northern Mariana Islands. Thus, the total amount of military land on Tinian to be made avail-

Thus, the total amount of military land on Tinian to be made available for civilian use is 2,648 hectares (6,458 acres). Uses of land leased back by the United States must be compatible with planned military activities. Such uses would include agriculture and grazing. Permanent construction will not be permitted without U.S. approval.

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<u>Tanapag Harbor</u>. The United States will lease 71.7 hectares (177 acres) in Tanapag Harbor for \$2,000,000 which will be placed in trust to earn income to develop and maintain 53.8 hectares (133 acres) of this land as a public memorial park to honor those Americans and people of the Marianas who lost their lives during World War II. The other 44 acres will be leased back to the Government of the Northern Mariana Islands for harbor-related activities.

Isely Field. The United States withdrew its proposal that it acquire 196 hectares (485 acres) adjacent to Isely Field.

<u>Farallon de Medinilla</u>. The United States will lease this unused uninhabited island, consisting of approximately 83.4 hectares (206 acres) under the terms described above. The lump sum payment for this land will be \$20,600.

TECHNICAL AGREEMENT

The United States and the Marianas Political Status Commission have also agreed that a Technical Agreement regarding United States Land Use in the Northern Mariana Islands will be executed along with the Covenant. The Technical Agreement will state in detail the matters to be included in the lease to the United States, such as provisions describing the land to be leased, arranging for the settlement of claims and encumbrances, implementing the agreements with respect to lease-backs and the trust fund for the park at Tanapag Harbor, and dealing with other matters. The Technical 'Agreement also will provide for joint use agreements to be entered into with respect to San Jose Harbor and West Field on Tinian. Finally, the Technical Agreement will contain several provisions which will govern the relations between the military and civil authorities. These provisions will cover matters such as access to beaches and fishing areas, consultations and coordinated planning, as appropriate, regarding utilities, schools, medical care and fire protection, and other matters of concern. The Technical Agreement will be drafted by subcommittees from each side and presented to the Marianas Political Status Commission and the President's Personal Representative for their consideration and approval at the time the final Covenant is approved.

ECONOMICS AND FINANCE

Both the United States and the Marianas Political Status Commission recognized that the change in the plans of the Department of Defense regarding the construction of a military base on Tinian will have the effect in the near term of reducing the revenues of the new Marianas Government and the employment opportunities of the people of the Marianas below previously anticipated levels. It was provisionally agreed that, in order to compensate for these losses, the levels of United States assistance to the Northern Mariana Islands tentatively agreed to last May would be increased as follows for each of the seven years following the establishment of the new Government of the Northern Mariana Islands under its own Constitution:

-- \$250,000 for the Marianas Housing Authority for a special separate program of low-interest loans for new homes or home improvements for families with low incomes throughout the Marianas; and -- \$250,000 for a special educational and training fund to be used for retraining people of the Northern Marianas who are dislocated due to the change in political status; for reorientation of the curricula of schools

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in the Northern Marianas as may be necessary; and for in-service training courses, internships and public administration fellowships for Marianas civil service personnel.

Details regarding these two special programs will be provided to the two delegations prior to the resumption of these negotiations.

SEPARATE ADMINISTRATION

In response to requests from the Commission for assurances regarding the administrative separation of the Marianas from the remainder of the TTPI, Ambassador Williams acknowledged the desire of the Marianas Political Status Commission and the Marianas District Legislature that separate administration begin as promptly as possible after the approval of the Covenant by the people of the Northern Mariana Islands and said that he would strongly recommend that the Secretary of the Interior take all necessary action to accomplish this goal.

RESUMPTION OF THE FIFTH SESSION

In view of the progress which has been made, the Marianas Political Status Commission and the United States have agreed to recess the fifth session of negotiations to permit necessary technical work to be completed on the Covenant and the Technical Agreement, and to permit each party to review provisional agreements already reached. The fifth session of negotiations will be reconvened in Saipan on February 3, 1975, at which time the MPSC and the United States will meet to review the final language for the proposed Covenant and the Technical Agreement and, if language is agreed

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upon, to sign these documents.

The United States Delegation wishes to record their sincere appreciation for the warm and gracious hospitality they have once again been accorded by the members of the Marianas Political Status Commission and the people of the Marianas. Both parties wish to express their thanks to the High Commissioner and the Marianas District Administrator, and their respective staffs, and to the Saipan Municipal Council for the support they have provided throughout these talks. Dated: December 19, 1974

For the Marianas Political Status Commission: Clargelia

Edward DLG. Pangelinan, Chairman, Marianas Political Status Commission

Vicente N. Santos, Co-Chairman, Marianas Political Status Commission

Marianas Political Status Commission

Mr. Edward DLG. Pangelinan, Chairman
Mr. Vicente N. Santos, Vice-Chairman
Mr. Olympio T. Borja
Mr. Vicente T. Camacho
Mr. Jose R. Cruz
Mr. Herman Q. Guerrero
Mr. Bernard Hofschneider
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United States Delegation

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YN1 Keith K. Caplinger, USN Ms. Doris Treakle Ms. Lois Valk

APPENDIX

2. 11-

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 selfdetermination; 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 consent, 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 the 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 so long as the Northern Mariana Islands is specifically named in any legislation which could not also be made applicable to the States.*

*The clause beginning with "so long" is subject to reservation.

In order to respect the right of self-government guaranteed by this Covenant the United States agreed 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 four months after its submission to the President on behalf of the Government of the United States unless earlier disapproved. If disapproved the Constitution will be returned and will be resubmitted in accordance with this section.* Amendments to the Constitution of the Northern Mariana Islands 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.

^{*}This sentence and the preceding sentence are subject to reservation.

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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 Constutition 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 may provide for a distribution of the legislature's membership on the basis of appropriate considerations in addition to population, notwithstanding other provisions of this Covenant or the provisions of the Constitution or laws of the United States applicable to the Northern Mariana Islands, provided such distribution is ratified by the people of the Northern Mariana Islands by their approval of the Constitution or amendments thereto.

(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 and laws of the Northern Mariana Islands may vest in such courts jurisdiction over all causes in the Northern Mariana Islands over which the District Court established pursuant to Section 401 of this Covenant 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, the provisions of the Constitution, treaties and laws of the United States applicable

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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 have taken no affirmative steps to preserve or acquire foreign nationality, 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, do not on that day owe allegiance to any foreign state, and who on that date have been domiciled

continuously in the Northern Mariana Islands since at least January 1, 1974. <u>Section 302</u>. 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 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."

<u>Section 303</u>. 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.

<u>Section 304</u>. 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

<u>Section 401</u>. 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 DRAFT - December 19, 1974

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 and 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 Section 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. 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 a State of the Union: 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 or 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 become applicable within the Northern Mariana Islands only with the approval of the Government of the Northern Mariana Islands and the Government of the United States. Section 502. 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 as follows, except as otherwise provided

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in this Covenant:

(a) those laws which provide federal services and financial assistance (b) those laws not described in Subsection (a) which are applicable to

programs, Titles I, X, XIV and XVI of the Social Security Act, and the federal banking laws will apply as they apply to Guam; the Public Health Service Act will apply as it applies to the Virgin Islands; and the Micronesian Claims Act as it applies to the Trust Territory of the Pacific Islands; Guam and which are of general application to the several States will apply as they are applicable to the several States:

(c) those laws not described in Subsections (a) or (b) 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, will apply to the Northern Mariana Islands as they apply to the Trust Territory until termination of the Trusteeship Agreement, and will thereafter be inapplicable.

Section 503

(a) 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 by the United States Congress by law after termination of the Trusteeship Agreement:

(1) the immigration and naturalization laws of the United States, except as otherwise provided in Section 506; (2) 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

(3) the minimum wage provisions of the Fair Labor Standards Act, as amended.

(b) Nothing in this Section shall be deemed to prevent the application to the Northern Mariana Islands of laws of the United States to the extent that they affect United States Government shipments or impose minimum wage requirements with respect to employees or contractors of the United States Government.

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, 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

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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 the 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. Notwithstanding the provisions of Section 503(a)(1), the Immigration and Nationality Act of the United States will apply to the Northern Mariana Islands after the termination of the Trusteeship Agreement with respect to the immediate relatives, (as defined in Section 201(b) of that Act, as amended), of United States citizens and nationals permanently residing in the Northern Mariana Islands. For the purposes of this Section the Northern Mariana Islands will be deemed to constitute a State as defined in Section 101(a)(36) of that Act; the term "United States" as defined in Section 101(a)(38) will be deemed to include the Northern Mariana Islands. 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 Section 310(a) of that Act, as amended, and will have jurisdiction to naturalize persons who are eligible to be naturalized and who reside within their respective jurisdiction.

> ARTICLE VI Revenue and Taxation Provisions

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Section 601

(a) The income tax laws in force in the United States will be in force in the Northern Mariana Islands as a local territorial income tax in the same manner as those laws are in force in Guam (under the provisions of Section 1421i of title 48, United States Code).

(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 additional taxes as it deems appropriate and provide for the rebate of taxes received by it, but 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

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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 United States will seek to obtain from foreign countries favor-

able 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 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 are applicable within Guam. (b) 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

(a) Not later than at the time this Covenant is approved, that portion of the Trust Territory Social Security 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 Social Security Administration of the United States in accordance with the social security legislation of the Trust Territory of the Pacific Islands in effect at the time of such transfer, which may be modified by the Govern-

ment of the Northern Mariana Islands only in a manner which does not create any additional differences between such legislation 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 remain comparable.

(b) Those laws of the United States which impose taxes to support, or which provide benefits from, Title II of the Social Security Act of 1935, as amended, and those regulations promulgated under the authority provided therein will not be applicable to the Northern Mariana Islands until 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 except that Section 228 of Title II referred to herein will not be extended.

(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 or appropriated in proportion to the taxes levied as appropriate into the Federal Old Age and Survivors Trust Funds, the Federal Disability Trust Fund, the Federal Hospital Insurance Trust Fund, and the Federal Supplementary Medical Insurance Trust Fund; and

(2) contributions 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 Federal Old Age and Survivors, Disability and Hospital Insurance Trust Funds for the purposes of determining eligibility DRAFT - December 19, 1974

of persons in the Northern Mariana Islands for benefits from such Funds; and (3) persons who are 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 entitled to benefits under the laws described in Subsection (b).

Section 606

(a) All bonds 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 precentum 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. <u>Section 702</u>. 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 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 educational training fund, to alleviate problems connected with the change in the political status of the Northern Mariana Islands; and

(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 shall be reserved for such projects on the Island of Rota; and

(c) \$1,750,000 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 by the Government of the Northern Mariana Islands 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.*

*This sentence is subject to reservation. 62 (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 be 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, and 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 an appropriation of a pro-rate 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 Guam Consumer 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 provided by law.

ARTICLE VIII

Property

Section 801. All right, title and interest in and to real property in the Northern Mariana Islands of the Government of the Trust Territory of the Pacific 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 in and to all personal property of the Government of the Trust Territory of the Pacific 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 distributed equitably in a manner to be determined by the Government of the Trust Territory 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 United States by lease in accordance with this Covenant 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

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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 additional property, or any greater interest in the property leased by the United States in accord with the Covenant than that which is granted to it thereby, in order to carry out its defense responsibilities.

Section 803

(a) The Government of the Northern Mariana Islands or its duly authorized representatives will lease the areas described in Section 802 to the Government of the United States for a term of 50 years, and the Government of the United States will have the option of renewing this lease for all or part of such areas for an additional term of 50 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 renewal option, the total sum of \$19,520,600 stated in constant 1975 dollars, divided as follows:

- (1) Tinian \$17,500,000;
- (2) Tanapag \$2,000,000; and

(3) Farallon de Medinilla \$20,600.

(c) The United States will lease back to the Government of the Northern Mariana Islands, at a nominal sum of \$1 per acre per year, the following areas to be made available for purposes compatible with their intended military use:

(1) On Tinian, approximately 6,400 acreas; and

(2) At Tanapag, 44 acres.



(d) One hundred thirty-three of the 177 acres included at Tanapag Harbor will be made available to the Government of the Northern Mariana Islands by the United States Government and will be set aside by the Government of the Northern Mariana Islands as a memorial for the American and Marianas dead in World War II and a public park. The Government of the Northern Mariana Islands will place the \$2 million made available by the United States in a perpetual trust fund to be used as needed for the development of the memorial park and for its maintenance.

(e) A separate Technical Agreement regarding United States land use 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 also will contain the terms of joint use arrangements for San Jose Harbor and West Field, Tinian, and the principles governing the social structure relations between the United States military and the Northern Mariana Islands civil authorities.

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 located within the Northern Mariana Islands to be terminated upon or before the effective date of this Section. Title to any real property of the Trust Territory of the Pacific Islands with respect to which the United States Government enjoys such use or other rights will be transferred to the Government of the Northern Mariana Islands at the time of such termination. The Government of the Northern Mariana Islands will assure the Government of the United States continued use of the real property 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 arrangement 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.

Section 805. Except as otherwise provided in this Article, and notwithstanding the provisions of this Covenant, the Constitution 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, 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 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 sought; 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; of seeking first to satisfy the requirement by acquiring an interest in public rathern 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 established 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 Government 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 will have and 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

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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 Marianas 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 matter 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 would 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, education, scientific, technical and cultural matters when similar participation is authorized for any other United States territory or possession under comparable circumstances.

ARTICLE X

Approval, Effective Dates, and Definitions

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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 Mariana Islands District for approval in a plebiscite to be called by the United States. No person who is not both domiciled in the Northern Mariana Islands and eligible to vote in an election for the Northern Mariana Islands District Legislature if such elections were held on the day of the plebiscite will be eligible to vote in the plebiscite. Approval must be by a majority 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. <u>Section 1002</u>. 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. <u>Section 1003</u>. The provisions of this Covenant will become effective as follows, unless otherwise specifically provided:

(a) Section 105, 201-203, 503, 504, 605, 801, 903 and Article X willbecome effective on approval of this Covenant;

(b) Sections 102, 103, 204, 304, Article IV, Sections 501, 502, 505, 601-604, 606, Article VII, Sections 802-805, and 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 Section 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. DRAFT - December 19, 1974

Section 1005. As used in this Covenant:

(a) "Trusteeship Agreement" means the Trusteeship Agreement for the former Japanese Mandated Islands entered into between the Security Council of the United Nations and the United States of America 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.

SIGNATURES

Signed at Saipan, Mariana Islands on the day of , 197 . FOR THE PEOPLE OF THE NORTHERN MARIANA FOR THE UNITED STATES OF AMERICA ISLANDS

Chairman, Marianas Political Status Commissión

Vice-Chairman, Marianas Political Status Commission

Personal Representative of the President of the United States

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