DRAFT:ADG:jw:9/27/73

IENT ESTABLISHING A PERMANENT UNION BETWEEN THE NORTHERN MARIANA ISLANDS AND THE UNITED STATES Whereas, the Northern Mariana Islands of the Trust Territory of the Pacific Islands and the United States of America sharing common political values and national goals mutually desire to establish an enduring political relationship and a permanent union between their respective governments; and,

Whereas, the people of the Northern Mariana Islands through public petition and referendum for over twenty years have clearly established their desire to attain the benefits inherent under the American system and their desire that such a political union be permanent in nature; and

Whereas, the people of the Nothern Marianas in seeking to fulfill their rights and privile ges under the Trusteeship Agreement for self-determination and for full selfgovernment for the people of the Northern Marianas Islands believe that the final, realization of self-government may be acquired by becoming a permanent member of the American political family; and,

Whereas the United States of America in seeking to extend the benefits and priviledges of the American system of government and to likewise establish a mutually satisfactory and enduring political relationship within the ideals and concepts of Democracy, desires to accord the residents of the Northern Marianas the rights and priviledges of self-

government and self-determination to which they are entitled under the Trusteeship Agreement for the Trust Territory of the Pacific Islands; Now Therefore

Be it known to all those whose presence are made, that the duly appointed representatives of the people of the Northern Mariana Islands, the members of the Marianas Political Status Commission, and the Personal Representative of the President of the United States of America in the exercise of the authority of the Executive Office of the at (place) on ______day of 1973(4) United States of America/have hereunto affixed their signatures in attestation to their full agreement to the following principles and related understandings attached hereto Articles of this Instrutment that shall govern the political union between the Northern Mariana Islands and the United States of America:

GENERAL PRINCIPLES GOVERNING THE POLITICAL UNION BETWEEN THE NORTHERN MARIANA ISLANDS AND THE UNITED STATES OF AMERICA

1. The Northern Mariana Islands of the Trust Territory of the Pacific Islands in its exercise of self-determination shall become a self-governing commonwealth under the sovereignty of the United States and be known as "The Commonwealth of the Northern Mariana Islands".

2. The future Commonwealth government will exercise a maximum amount of self-government consistent with relevent portions of the United States Constitution and federal law and as established pursuant to a constitution of their own adoption.

3. The United States will have responsibility for and complete authority in the fields of defense and foreign affairs and may, pursuant to Article IV, Section III, Clause 2, enact appropriate legislation for the Commonwealth. The people of the Norther Mariana Islands will be given 4. the opportunity of becoming citizens or nationals of the United States, as they may chose, and the rights and priviledges thereto as may be accorded appropriately. The Commonwealth government may, if it so chooses, regulat 5. the alienation of all public and private lands to prevent their transfer to persons not of Marianian residency, recognizing the paramount rights of the United States to acquire property as may be attendent to its responsibilities as agreed to under this instrument.

......

6. The United States shall undertake to extend financial support to the Commonwealth in the amounts and terms of which as may be established in this Instrument to assure the full attainment of and continuance of self-government to which the Commonwealth shall establish.

7. The United States will undertake to implement this agreement as may be practicable prior to the termination of the Trusteeship Agreement upon the approval of the instrumen by the Mariana Islands District Legislature and by the residents of the Mariana Islands in a subsequent plebiscite and upon appropriate action by the Congress of the United States of America.

3

8. The parties to this agreement shall make no fundamental changes respecting the nature of the political relationship between themselves (or the form of and exercise of powers by the government to which the Commonwealth shall establish pursuant to this instrument) unless there be mutual consent to such modification.

9. This instrument may be amended by mutual consent of the parties upon proper notice following such procedure as is agreed upon in this instrument.

Agreed Articles Regarding the Establishment of the Common-Wealth of the Mariana Islands

Article I.

Sec 101. The Northern Mariana Islands, known as the Mariana Islands District of the Trust Territory of the Pacific Islands, consisting of those islands and those territorial waters thereof which lie within the area north of 14° north latitude, south 20° north latitude, west of 150° east latitude, and east of 144° east longitude that are administered by the United States of America pursuant to a Trusteeship Agreement with the Security Council of the United Nations (hereinafter "Trusteeship Agreement"), will upon termination of that trusteeship be a selfgoverning commonwealth under the sovereignty of the United States, to be known as "The Commonwealth of the Norther Mariana Islands".

4

Sec. 102. The relations of the Commonwealth of the Mariana Islands with the United States shall be subject to the provisions of Article 4, Section 3, Clause 2 of the Constitution of the United States and shall be conducted through such agency or agencies of the United States as the President may designate, provided that the following provisions of this agreement may be modified only with the consent of the Government of the Commonwealth of the Marianas:

Sec. 103. The following provisions of the Constitution of the United States shall extend to the Commonwealth: Art. I, Section9, Clauses 2,3; Art. I, Section 10; Art.II, Section 2, Clauses 1,2; Art. IV, Section 1,3, Clause 2; Amendments 1-9, 13, 14, Sentence 2, 15, and 19.

Sec. 104. The rights, priviledges, and immunities of citizens of the United States shall be respected in the Marianas as though the Mariana Islands were a State of the Union and subject to the provisions of clause 1, Section 2 of Article IV of the Constitution of the United States. This subsection shall not apply to the regulation of the alienation of real property or interests in real property for the purpose of restricting acquisition of such property or interests to persons of Northern Marianas descent.

Sec. 105. All citizens of the Trust Territory of the Pacific Islands who are residents of the Marianas District at the time of the termination of the Trusteeship Agreement and who have taken no affirmative steps to preserve or

5

acquire any foreign citizenship or nationality, shall be citizens of the United States as of that date.

Sec. 106. (a) All persons born in the Commonwealth of the Northern Mariana Islands after the termination of the Trusteeship Agreement, and subject to the jurisdiction of the United States, are citizens of the United States at birth.

(b) Any person described in Section II of this Article who does not wish to be a citizens of the United States shall make declaration under oath of such desire within one year after the termination of the Trusteeship Agreement, or within six months after attaining the age of 21 years, whichever comes later, said declaration to be in the form and executed in the manner to be prescribed. Having made such a declaration, any such person shall be held not to be a citizen of the United States. Such person may elect at the time of such declaration to become a national of the United States or to retain his current national citizenship, but only in the form and manner to be prescribed.

ARTICLE II -- CONSTITUTIONAL CONVENTION

SEC. 201. The people of the Mariana Islands shall form a government for these islands pursuant to a constitution of their own adoption as provided in these articles.

SEC. 202. The District legislature of the Marianas shall call a constitutional convention to write a constitution for the Mariana Islands, the provisions of which shall be in accordance with these Articles. Each of the present electoral districts within the Mariana Islands shall be represented in the Constitutional Convention.

The Constitutional Convention shall prepare SEC. 203. a proposed constitution for the Mariana Islands Awhich shall be submitted not later than one year after the convening of the constitutional convention to the High Commissioner for transmission to the Congress of the United States. \bigwedge If the Congress of the United States finds that the proposed constitution is not contrary to the relevant provisions of the Constitution of the United States of America, legislation establishing the commonwealth pursuant to these articles, and any other relevant federal legislation, it shall so certify to the High Commissioner of the Trust Territory, who shall so advise the Marianas District Legislature which shall dissolve the Constitutional Convention. If the Congress finds that the proposed constitution does not meet the above criteria it shall so advise the High Commissioner of the Trust Territory of the Pacific Islands stating wherein in its judgment the constitution is déficient. The High Commissioner

shall in turn submit such message to the Constitutional

427719

- 5 -

Convention for further action. The revised document shall be returned to the Congress of the United States and the same procedure repeated until the constitution is certified by the Congress.

SEC. 204(a) Upon certification by the Congress of the United States to the High Commissioner of the Trust Territory of the Pacific Islands in accordance with Section 203 of this Article the High Commissioner shall, within thirty days after receipt of such certification, issue a proclamation for a referendum to be held not more than ninety days after the date of the proclamation to vote "yes" or "no" on the following proposition:

The people of the Commonwealth of the Mariana Islands hereby adopt the Constitution of the Commonwealth of the Mariana Islands as certified by the Congress of the United States.

SEC. 205. Amendments to the Constitution of the Commonwealth of the Mariana Islands may be made from time to time as provided

427720

in that Constitution. The courts of the United States shall be competent to pass on the consistency of such amendments with relevant provisions of the United States Constitution and of other federal law.

ARTICLE III -- THE CONSTITUTION OF THE COMMONWEALTH OF THE MARIANA ISLANDS

SEC. 301. The Constitution of the Commonwealth of the Mariana Islands shall contain provisions to the effect that --

(a) The legislative power of the Commonwealth

must be vested in a legislature, every member of which shall be popularly elected. All such members and all officers of the Government of the Commonwealth of the Marianas, shall take an oath or affirmation to support the United States and the Constitutions of the Marianas.

> (b) The legislative power of the Commonwealth shall extend to all subjects of local

application and may not be inconsistent with the Constitution of the United States or with those statutes enacted under the authority of the United States which are specifically applicable to the Mariana Islands, including such statutes as may be enacted in the future.

(c) The final decisions of the courts of the Sommonwealth subject to further review in such courts shall be subject to review by the United States Court of Appeals for the Ninth Circuit as provided for in Article IV, Chapter 2 of these Articles.

(d) The jurisdiction and powers os such court or courts as may be established in the Congress of the United States for the Commonwealth.

(e) The rights of the United States to acquire property as set forth in Article IV, Chapter 4 of these Articles shall be recognized.

(f) No law shall be enacted under the authority of the Commonwealth imposing any tax upon property of the U.S. or property of the Commonwealth. No import or export levies shall be imposed on goods imported into the Commonwealth from the United States or any of its territories or transported within.

Article IV - The Judiciary

Section 401 (to be filled later)

Sec. 402. All final judgments or decrees of the highest court or courts of the Marianas in cases and controveries arising under the Constitution, treaties, and laws of the United States, not subject to further reviewed in such courts, may be reviewed by the United States Court of Appeals for the Ninth Circuit by writ of certiorari in accordance with such rules as that Court may prescribe and shall be subject to such further review in the Supreme Court of the United States as is provided in title 28 U.S.C..

Sec. 403. The laws of the United States relating to removal of causes, appeals and other matters and proceedings as between the courts of the United States and the courts of the several states shall govern in such matters and proceedings between the courts of the United States and the courts of the Commonwealth of the Mariana Islands.

9

Article V.' Financial Assistance and Fiscal Provisions

<u>Section 501</u>. The United States will extend funds to the Government of the commonwealth to assist in meeting the obligations of the Government of the Commonwealth of the Marianas (but in no event for more than _____years beyond the date of termination of the Trusteeship Agreement, a sum up to\$_____million per year as may be needed shall be made available as may be needed tp pay such obligations) Additional funds in the amount not to exceed____million per year may be extended for a period not to exceed_____years to assist in implementing needed capital improvement projects. <u>Section 502</u>. The levy of duties on goods imported into the Commonwealth is hereby reserved to the Commonwealth Government.

<u>Section 503</u>. All bonds issued by the Commonwealth Government or by its authority shall be exempt, as to principal and interest, from taxation by the Government of the United States or by the Government of any State, Territory, possession, the Commonwealth of Pierto Rico, or any political subdivision thereof, or by the district of Columbia. <u>Section 504</u>. Effective on the first day of July following the termination of the Trusteeship Agreement, all customs, duties and Federal income taxes of the United States derived from the Commonwealth, the proceeds of all taxes collected under the internal revenue laws of the United States on articles produced in the ^Commonsealth and transported to the United States, its territories, or possessions, or consumed in the Commonwealth and the proceeds of any other taxes which

427724

(§504 contd)

may be levied by the Commonwealth on the inhabitants of the Marianas and all quarantine, passport, immigration, and naturalization fees collected in the Northern Marianas shall be deposited in the treasury of the Commonwealth and shall be expended for the benefit of the People of the Marianas as the Commonwelath Government may by law prescribe.

Section 505. Effective on the first day of January following the termination of the Trusteeship Agreement, the income

tax laws in force in the United States of America and those shall which may hereafter be enacted / be held to be likewise in force in the Commonwealth*.

<u>Section 506</u>. Imports from the commonwealth of the Marianas into the customs territory of the United States shall be subject to the same treatment as those from Guam.

Section 507. The Government of the commonwealth of the Marianas shall submit to the President of the United States or his appointed representative an annual report on the administrate tion of the funds tranferred to the Government of the Commonwealth of the Marianas pursuant to the provisions of this chapter. Such reports shall be transmitted by the President to the Congress of the United States.

* The Commonwealth Government shall support such revenues collected by the operation of local tax laws in such a manner as to render a more equitable application of the burdens of supporting the Commonwealth by its residents.

Section 508. Minimum Wage

Section 509. Currency laws.

Section 510.

ARTICLE VI. Public Property of the Commonwealth and Property Acquired by the United States.

Section 601. Upon termination of the Trusteeship Agreement the title to all real and personal property in the Marianas District owned by the Government of the Trust Territory of the Pacific Islands, and all interests in such property including rights of use and including all right, title, or interest of the Government of the Trust Territory of the Pacific Islands in tidelands, submerged lands, or filled lands in or adjacent to the Marianas Islands held by the Government of the Trust Territory of the Pacific Islands, shall be transferred to the Government of the Commonwealth of the Marianas. The term "tidelands, submerged lands, or filled lands" shall have the meaning ascribed to it in Section 1(a) of Public Law 88-183 (77 Stat. 338). This subsection shall not apply to any interest in lands, which interest by local or customary laws or rights is held in private or communal ownership. Section 602(a) During the three-year period referred to in subsection(b), nothing herein shall impair the existing agreements between the Trust Territory Government and the United States Government or any agency or instrumentality thereof insofar as they relate to land use and retention, and the Commonwealth Government takes all such land as set forth in subsection (a) above subject to such agreements; provided, however, that such retention and use will at all times be consistent with the public purposes of the United States.

427727

Section 602(b)(1). Within three years from the termination of the Trusteeship Agreement, the retention and use rights of the United States Government covered by subsection (b) shall terminate, unless, within that time the United States proceeds to acquire, in accordance with subsection (d) or (e) hereof whatever rights in such lands may be considered necessary for the public purposes of the United States.

Section 602(b)(2). In any such acquisition, the amount to be paid for the property, or interest therein, shall be the current fair market value of the interest acquired, exclusive of any improvements made by the United States or its assigns; and less any amount or amounts previously paid, gratuitously or otherwise, therefore.

Section 602 (c). The United States Government its departments and agencies, are hereby authorized to, and may acquire for public purposes in the Commonwealth any property or any interest in property, including any temporary use, in accordance with this subsection and subsection (e). Such property, including that owned or controlled by private parties or the Commonwealth Government, may be acquired under this subsection by purchase, lease, exchange, gift, or otherwise under such terms and conditions as may be negotiated by the parties, subject to the limitations in Section 451 of this Article. Section 602(d). In the event the United States is unable to acquire property or an interest in property by negotiation in accordance with subsection (d), then it may acquire property or an interest therein in accordance with its Constitutional authority and presently established and future Federal law and procedures with respect to the acquisition of real property 427728

or an interest in real property.

Section 602(e). In the event an interest in private or communally-owned property is acquired pursuant to subsection (e) and the owner or owners disagree with the fair market value and wish a further review, the United States shall proceed immeidately in accordance with established Federal law and procedures to have the fair market value determined with the right of appeal under said Federal law and procedures to the United States Court of Appeals for the Ninth Circuit. Section 603. The Commonwealth Government shall assure the rights and uses of such lands and waters as is or may be required by the United States in the exercise of its responsibilities for defense and security of the Commonwealth of the United States. Specifically, it shall provide upon the ratification of this agreement the following areas:

(a) <u>Tinian Island</u>. Twenty-six thousand two hundred acres and emcompassing waters immediately adjacent to the island shall be made available for the use of the United States to establish an integrated homogeneous basing areas to minimize the total land area required by the United States in the Commonwealth.

(b) Saipan Island.

Isley Air Field. One thousand eight hundred nine and tirty-five hundredths acres shall be made available for the use of the United States, which shall at its discretion make available for the use of the Commonwealth Government such

acreage as is not essential for the exercise of its defense responsibilities.

15

<u>Tanapag Harbor</u>. Six hundred forty and twenty-three hundredths acres and the encompassing waters immediately adjacent to the harbor shall be made available for the use of the United States, which shall at its discretion make available for the use of the Commonwealth Government such acreage as it not essential for the exercise of its defense responsibilities.

(c) <u>Farallon de Medinilla Island</u>. Two hundred twenty-nine acres encompassing the entire island and the waters immediately adjacent thereto shall be made available for the use of the United States.

Section 604. The agreements for the lands and waters listed in Section 603 shall conform to the provisions of this Instrument and such agreements ahall not contain any limitations on the use of such lands and waters which conflict with the basic authorties and responsibilities of the United States for the defense and security of the Commonwealth and the United States under the Constitution of the United States. Such agreements will contain provisions for reversion, protections against environmental damage, resettlement of occupants wherever necessary, joint undertakings of the parties to insure a balanced social and community growth, and such other provisions that will providefor the mutual benefit and security of the parties.

Section 605. The Governments of the United States and the Commonwealth will undertake to consult at any time requested by either of them on matters relating to defense.

Art. VII - Other Provisions

Sec. 701. The chief executive of the Commonwealth of the Marianas shall be responsible for the faithful execution therein of the laws of the U.S. applicable to the Commonwealth. Whenever it becomes necessary in case of disaster, invasion, insurrection, or rebellion, or imminent danger thereof, or to prevent or suppress lawless violence, the chief executive of the Government of the Commonwealth of the Mariana Islands may request the President of the United States for the assistance of the military or naval commanders of the Armed Forces of the United States, which assistance may be given at the discretion of the President if not disruptive of, or inconsistent with, the Federal responsibilities of the Armed Forces.

Sec. 702. The laws of COM, MDL, local municipalities, and all other executive or district orders now applicable in the Mariana Islands shall remain in force and effect until and unless repealed or amended by the Commonwealth Government.

San. Gl. ARTICLES VII - TRANSITIONAL PROVISIONS

Sec. 801. So much of the legislatuon of the U.S. Congress implementing these articles as relates to Article should become effective upon the enactment of that legislation. So much of that legislation as deals with *c*. article IV should become effective upon the termination of the trusteeship; provided, that the President shall have the power to make effective at an earlier date so much of the legislation relating to Article IV and so much of the constitution of the Commonwealth of the Marianas as is consistent with the continuation of the trusteeship.

Sec. 802. The President of the United States shall appoint a commission of seven persons, at least three of whom shall be resident of the Mariana Islands, to survey the field of Federal statutes, including federal service and assistance programs, and make recommendations to the Congress of the United States within twelve months after the implementation of these Articles by Congress as to which statutes of the United States not applicable to the Mariana Islands on such date shall be made applicable to the Commonwealth of the Mariana Islands upon the termination of the Trusteeship Agreement and which statutes shall be made inapplicable.

Se

1, And William mollile to and; 5-23 Nor. Morianez PSC Notic - 19 Dec JCFSN Out the not drawn with belie, whe has making tithe mystledelight mit sept summe.

2 Delegation - DOD Tog fetter and 3. Has safed it re public hunds , buy with by the Commission, Will at he land outer I OM SN for the punch to. 4. Down Jugarter Shen hafterder congret To This an aft aging & To respect the - OMSN to ushoft art. I Need final comments by O. F. 10 for Carb. Willing