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ARTICLE VII

United States Financial Assistance

Section 701. The Government of the United States will undertake together with the Government of the Northern Mariana Islands measures which will assist the people of the Northern Mariana Islands [to achieve a standard of living comparable to that within other parts of the United States 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 financial support to the Government of the Northern Mariana Islands for local government operations, for capital improvement programs and for economic development. The initial period of such support will be seven years, as provided in Section 702.

Section 702.

(a) Approval of this Agreement by the United States Congress will constitute an authorization for [and an appropriation of] the following guaranteed annual levels of direct grant assistance to the Government of the Northern Mariana Islands for each of the seven fiscal years following enactment:

(1) \$8 million for budgetary support for government operations; and

(2) \$4 million for capital improvement projects, of which \$500,000 each year shall 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

(3) \$1.5 million for an economic loan fund, of which \$500,000 shall be reserved for small loans to farmers and

(b) The following laws will apply in the Northern Mariana Islands in the same manner and to the same extent as they apply to the Territory of Guam:

(i) The full range of federal services and programs, generally applicable to the several States and Territories;

(ii) Sections 13, 25 and 25(a) of the Federal Reserve Act (12 U.S.C. 466, and 601-632, respectively) and section 5191 of the Revised Statutes (12 U.S.C. 143);

(iii) Title I, X, and XIV of the Social Security Act.

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