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MEMORANDUM FOR:

The Chairman, Marianas Political Status Commission
The President's Personal Representative for Micronesian
Status Negotiations

Subject: Report of the Joint Drafting Committee on the negotiating history . 7

Pursuant to decisions taken in December during the fifth series of negotiations in Saipan on the future political status of the Marianas, the joint Marianas-U.S. Drafting Committee has met in Washington, D.C. and has undertaken to clarify the import of certain provisions of the Covenant. We submit our report herewith.

The results of our discussions are reflected in the attached draft negotiating history which is recommended by the joint drafting condittee for your consideration. The draft serves to record our tentative agreement on a number of substantive matters. We recommend that it be approved by both delegations and incorporated into the official record.

Howard P. Willens
Senior Representative
MPSC Drafting Committee

James M. Wilson, Jr. Senior Representative U.S. Drafting Committee

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REPORT OF THE DRAFTING COMMITTEE

Inasmuch as As-used-in-Article-I,-as-elsewhere,/the term Section 101. is used in Article I in the sense defined in Section "Northern Mariana Islands"/in-a-geographic-sense-refers-to-the 1006 its definition cannot be changed except by mutual consent. area-described-in-Section-100/6/(b); It is the intent of the parties that as in the case of the States Section 103./ The Government of the Northern Mariana Islands will considered (Government) not be/an agency or instrumentality of the United States. Reference to federal Section 104./ Specific-reference-to the/powers mentioned-in-thissection-is-meant-to-be-illustrative-and is not intended to derogate &105 vested in :... from the/sovereign powers held-by the United States under Section/101/. Msintenderfrut, Agreement, Section 105. Prior to the termination of the Trusteeship the consent of the Northern Mariana Islands envisaged by this Section will not be given without the consent of the Legislature/. Section 202.

[This section states the extent of the authority of the United States with respect to the Constitution of the Northern Mariana Islands, except for the power of the President to delay the effectiveness of certain provisions of the local Constitution until termination of the Trusteeship. Thus the United States will not have the power directly or indirectly to alter the Constitution of the Northern Mariana Islands after initial approval, except insofar as parts of the Constitution may be passed on by federal courts in particular cases.]

The authority of the federal courts to determine whether or not the Constitution of the Northern Mariana Islands and subsequent

amendments thereto are consistent with the provisions of the Constitution, treaties, and laws of the United States applicable to the Northern Mariana Islands is not intended to be exclusive so as to preempt the power of the courts of the Northern Mariana Islands to make such determinations in appropriate cases.

Section 203(c).

The intention of the parties that (No wide provision that the legislative powers of the Northern stating that

Mariana Islands will extend "to all rightful subjects of legiswill be broadly interpreted, consistent with Section 102 to mean lation"/means that the power of the legislature will be limited only by the terms of the Covenant, the provisions of the Constitution, treaties and laws of the United States applicable to the Northern Mariana Islands, and the Constitution of the Northern Mariana.

Islands.

Section 401. The establishment of a separate district court for the Northern Mariana Islands does not preclude the appointment of the District Judge, United States Attorney and United States Marshal for Guam to hold the corresponding offices in the Northern Mariana Islands at the same time. Congress, in its discretion may also provide, in analogy to Section 27 of the Organic Act of the Virgin Table 2023, 18-U.S.C. 1617; Ithat the United States Attorney and the

United States Marshal for the Northern Mariana Islands are authorized or required to perform, at the request of the Government of the Northern Mariana Islands, certain functions related to the execution of the local laws. [The-Executive-Branch-of-the-United-States Government-will-recommend-that-the-Congress-enact-legislation-to accomplish-this-goal:]

Section 402.

/In view of some confusion which seems to have developed under somewhat similar language in the Guam Organic Act, the negotiating parties consider it appropriate to point out with respect to Subsection (c) that the Legislature of the Northern Mariana Islands is under no obligation to grant any appellate jurisdiction to the District Court for the Northern Mariana Islands. The Legislature may choose at any time and from time to time to establish appellate courts of the Northern Mariana Islands and to eliminate the appellate jurisdiction of the District Court.

Section 103. Subsection (b) of this Section is intended to make applicable to the District Court for the Northern Mariana Islands a wide variety of procedural and housekeeping statutes applicable to the District Court of Guam, as well as such statutes as are now applicable with respect to Guam or citizens of Guam including 28 USC § 1332 (diversity jurisdiction in district courts of the United States) and 28 USC § 1738 (dealing with full faith and credit).]

This Section is intended among other things
Section 501. /The-purpese-ef-this-section-is to extend to the people of the Northern Mariana Islands the basic rights of United States citizenship and to make applicable to them certain of the constitutional provisions governing the relationship between the federal

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[It has no bearing on the authority of government and the States the United States to legislate with respect to the Northern Mariana (see insert on page 4a) Islands which is governed by Article I.]/The-extension-of-certain which will apply of their own force In addition to /provisions of the Constitution of the United States/to the Northern the following will not Mariana Islands/is-without prejudice to the power of Congress to authorize the Northern Mariana Islands (a) to distribute the membership of its legislature on considerations in addition to population (section 203); (b) to authorize exceptions to the requirements of trial by jury or indictment by grand jury (section 501); and (c) to limit the acquisition of permanent and long-term interests in land to persons of Northern Mariana Islands ancestry and to regulate the extent of the holding of formerly public lands (section 805). ...

Section 502. General Comments.

The/formula stated in Section 502 is not intended to be the exclusive method by which laws of the United States are or can be made applicable to the Northern Mariana Islands. The Congress will have power consistent with the Agreement to alter the manner and extent to which laws covered by the formula apply to the Northern Mariana Islands, to make laws not covered by the formula applicable or to make laws covered by the formula inapplicable. The formula does not make the Northern Mariana Islands into a territory or possession of the United States prior to termination. In many instances, however, the Northern Mariana Islands will be treated as if it were a territory or possession of the United States prior to termination,

Insert for Section 501.

(The inclusion or omission of the power to legislate and its exclusion from other specific references to certain provisions of the Constitution is not designed to affect the authority of the United States to legislate with respect to the Northern Mariana Islands. That power is government by Article I. The parties understand that those provisions of the Constitution of the United States which will apply to the Northern Mariana Islands of their own force include Article IV, Section 3, Clause 2 which will become applicable to the Northern Mariana Islands upon termination of the Trusteeship subject to the provisions of Section 105, and other provisions of the Constitution applicable of their own force to the territories of the United States.]

for many laws applicable to Guam because it is a territory or possession will become applicable to the Northern Mariana Islands.

1The phrase "applicable to Guam" or "applicable to the Trust Territory of the Pacific Islands" in this Section is used in the naswellas pplicable sense of "applicable within ex with respect to" the geographic areas mentioned or the peopele who reside in or who are citizens of those geographic areas. It is understood, for example, that laws providing for the extradition of persons from one State or Territory to another State or Territory (see 18 USC § 3182), will be applicable with respect to the Northern Mariana Islands in the same manner and to the same extent as they are applicable with. respect to Guam or a State. Thus a State or another Territory could be obligated to extradite a person to the Northern Mariana Islands, just as the Northern Mariana Islands would be under an obligation in appropriate cases to extradite a person to a State or Territory! Of course, certain laws which will be made applicable to the Northern Mariana Islands under this Section speak, by their dwn terms, only to citizens of the United States. Such laws would apply only to citizens of the United States in the Northern Mariana Islands, and would not apply to citizens of the Trust Territory until under the provisions of Article III of the Agreement, such citizens become citizens of the United States upon termination of the Trusteeship Agreement. 1

Subsection (a). The term "the federal banking laws" in Subsection (a) has particular reference to Sections 13, 25 and 25(a) of the Federal Reserve Act, as amended (12 U.S.C. 466, and 601-632, respectively) and Section 5191 of the Revised Statutes (12 U.S.C. 143).

It is intended that national banks would have authority to operate as is granted to them under the federal statutes to operate in the several states.

Section 503(a) (It is understood by the negotiating parties that the immigration laws of the Trust Territory of the Pacific Islands will continue to be applicable to the Northern Mariana Islands under Section 506 after the new Government of the Northern Mariana Islands under the local Constitution comes into existence. It is understood that the laws of the Trust Territory of the Pacific Islands as modified by the Government of the Northern Mariana Islands pursuant to its authority which relate to the subjects addressed in this subsection will continue to be effective after termination of the Trusteeship Agreement, except to the extent that they are modified by federal law after termination.

Section 504. The provision that the United States will bear the cost for the work of the Commission does not mean that the United States will pay the salary of the four Commissioners who are domiciled in the Northern Mariana Islands.

Section 506. -> new from wincess

Section 601(a). The revenue provisions of the Covenant are not designed to render the Federal Unemployment Tax and the benefits derived therefrom applicable to the Northern Mariana Islands. {In this regard the treatment of the Northern Mariana Islands will

be identical to that of Guam.]

[Section 603(b). The authority of the Government of the Northern taxes and Mariana Islands to impose/customs duties will not extend to property brought into the Northern Mariana Islands by the United States or by military personnel of the United States for their own personal or official use.]

Section 603(c). The negotiating parties believe that the treatment provided for in this Subsection is consistent with the obligations of the United States under the General Agreement on Tariffs and However,

Trade. /This section is not intended to conflict with United States international obligations and does not require that the United States take any action which would be inconsistent with such obligations of its international obligations.

The United States will if necessary, seek appropriate waivers or modifications of its international obligations.

Section 603(d). The term "a developing territory" as used in this subsection is intended to refer to the June 25, 1971 General Agreement on Tariffs and Trade waiver regarding preferential tariff treatment of goods from developing countries and territories, and to other similar benefits which may be available to the Northern Mariana Islands.

Section 702. It was not considered necessary to include Section 702 among the provisions listed in Section 105 which may be modified this is that only by mutual consent. The reason for the omission of Section 702 is of a transitional nature, and will be limited to seven years following the establishment of the new Government. In addition a failure to appropriate funds as required by that section would constitute a dispute under Article IX which could be submitted to the that courts prusuant to the provisions of this Article.

Section 802. (Helfer to consider deletion of this notation per U.S. desires; review will consider Asticle 1 §8 cl.7 re: U.S. Congress authority over forts and magazines).

Section 805. The parties intend that it will be the responsibility of the Government of the Northern Mariana Islands to implement the provisions of this Section. In particular, the parties understand that the local Government will define the operative terms in this Section, including such terms as "long-term interest in real property", "acquisition", and "persons of Northern Mariana Islands descent". Section 806(a). The use of any property or interest acquired by the United States pursuant to this Subsection will not be limited

the end of the Trusteeship Agreement.)

Section 1001(a). The voter qualification set forth are the minimum eligibility requirements.

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The parties note that

Section 1002. It-is-the-present-intention-of/the United States
that it presently intends for all the districts no later than

Nas stated publicly, to terminate the Trusteeship/ty 1981.

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Other Provisions.

It is the intention of the negotiating parties that the invalidity of one section of the Agreement not affect the validity

of other provisions.

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