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QUESTIONS AND ANSWERS ON THE COVENANT

Preamble

1. In deciding their political future, do the people of the Mariana Islands have the right to choose some other political status such as independence or free association if they don't like commonwealth?

ANSWER: In deciding their political future, the people of the Northern Mariana Islands have every right to choose whatever status they wish.

If the people of the Marianas vote "no" in the plebiscite and reject the Covenant, the Marianas will remain with the other districts of the Trust Territory of the Pacific Islands and participate with them in determining what political status the people of the Micronesia negotiate. This may involve independence, free association, or commonwealth.

If the Marianas people vote "yes" and choose commonwealth, this status by its very nature is a permanent one and would not be subject to change except by mutual consent of the federal and commonwealth governments.

ARTICLE I

2. What is a commonwealth?

ANSWER: The name Commonwealth has been given to many different types of political organizations: Australia is a Commonwealth; so are some of the States of the Union, such as Virginia and Pennsylvania;

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England was a Commonwealth in the 17th Century when it was not a monarchy. As the name applies to the Northern Marianas it means a self-governing territory with its own constitution, elected executive and legislature and its own courts and judges.

3. Is the Marianas Commonwealth like the Commonwealth of Puerto Rico?

ANSWER: The Marianas Commonwealth will be in many respects like the Commonwealth of Puerto Rico. But in many other respects it will be like Guam and the other territories.

4. What is sovereignty?

ANSWER: Sovereignty is the supreme power over a political unit and describes the legal ability of a nation to make its own decisions about its future. In the American system sovereignty rests in the last analysis, however, with the people themselves.

5. Under the Commonwealth agreement, will the United States hold ultimate sovereignty or will it share sovereignty with the people of the Northern Marianas?

ANSWER: Under the Commonwealth agreement, the United States of America, which includes among its many parts the Commonwealth of the Northern Marianas, will hold full sovereignty. The real sovereign is the American people, which would include the people of the Northern Mariana Islands.

6. Under the Covenant, can the United States Congress pass laws for the Commonwealth of the Northern Marianas?

ANSWER: Under the Covenant, the United States Congress may pass laws of a general nature which will apply in the Northern Marianas. However, if the United States Congress wishes to pass a law which it could not apply to one of the States it must name the Commonwealth in the legislation to make it applicable to the Commonwealth.

The Congress also, if it approves the Covenant, will agree not to pass laws that change certain fundamental parts of the Covenant without the consent of the people of the Northern Mariana Islands (See Question 7).

7. Would the United States Congress have complete overall (i.e., "plenary") power over the Commonwealth of the Northern Marianas as it does in Guam? Could the Congress of the United States change the Covenant and the Constitution of the Northern Mariana Islands?

ANSWER: The United States would have plenary powers in the Northern Marianas. However, under the Covenant it would agree to limit these powers to some extent. Therefore, the United States Congress could not unilaterally change fundamental provisions of the Covenant, namely those relating to the political relationship, the Constitution of the Northern Mariana Islands, the citizenship, the applicability to the Northern Mariana Islands of the Constitution of the United States and those relating to the alienation of land. The U.S. Congress, however, did not agree to the same limitation of its powers in the Organic Act of Guam.

8. Under the Covenant, who can own land in the Northern Marianas?

ANSWER: Under the Covenant, only residents of Northern Mariana Islands'

descent may own land in the Northern Marianas. This would include both Chamorros and Carolinians of Northern Mariana Islands' descent but would exclude other United States citizens, e.g. those from California, Guam and Vermont. On the other hand, under the Covenant the people of the Northern Marianas will become United States citizens and will therefore have the right to own land in any part of the United States, except in American Samoa and certain lands located in Hawaii, and lands owned by American Indians.

9. Are laws limiting the ownership of land unconstitutional under the "Equal Protection of the Laws" clause of the 14th Amendment?

ANSWER: The Supreme Court has held that the Constitution may not be used to cause mischief to peoples under the United States jurisdiction, and that laws protecting an economically weak minority are permissible under the Constitution. Similar laws to provisions found in the Covenant restricting the ownership of land in Hawaii and American Samoa have been passed and proven effective in limiting ownership of land. The same is true regarding many American Indian lands. A similar statute was enacted this year on Guam.

10. How will the Constitution of the United States apply in the Commonwealth of the Northern Mariana Islands?

ANSWER: Not all provisions of the Constitution will apply to the Northern Mariana Islands. But those guaranteeing fundamental rights will. Among them are the Bill of Rights, the 13th, 14th and 15th Amendments protecting an individual's right to be fairly treated by his government, as well as the 19th and 26th Amendments giving women

and 18-year-olds the right to vote. These provisions are similar to those provisions of the Constitution applicable in other U.S. territories.

11. What is the Bill of Rights?

ANSWER: The Bill of Rights is composed of the first ten amendments to the U.S. Constitution. In general, these amendments guarantee individual rights and liberties.

ARTICLE II.

12. Who will write the Constitution of the new Commonwealth?

ANSWER: The Constitution of the new Commonwealth will be written by the citizens of the Northern Mariana Islands in a constitutional convention. The constitution will be submitted to the United States Government, and it will be considered approved six months after that submission unless it is approved or disapproved sooner.

13. How much local authority will the Commonwealth Government have?

ANSWER: The Commonwealth Government will have maximum local authority consistent with the terms of the Covenant.

14. What will be the relationship between the federal government and the local government?

ANSWER: The relationship between the Commonwealth and the federal government will be defined by the Covenant and the Marianas Constitution.

15. Does the new constitution have to be consistent with the Covenant and with the Constitution of the United States?

ANSWER: The new constitution must be consistent with the Covenant and with the U.S. Constitution, treaties and laws of the United States applicable to the Northern Mariana Islands. This requirement is derived from the principle of federal supremacy which also governs the relationship between the federal government and the States.

16. Why does the Covenant provide for a three-branch system of government?

ANSWER: The Covenant provides for a three-branch system of government because it is the American system which, in the U.S. national experience, has proven to be adaptable to change and protective of the rights of individuals.

17. If the United States Constitution does not apply in its entirety can the new Commonwealth determine voter qualification so as to restrict voting to men only or even deny other United States citizens the right to vote, or perhaps restrict residents of the Mariana Islands their right to vote for failure to pay taxes?

ANSWER: The new Commonwealth will have to draft its constitution to be consistent with the Covenant and the U.S. Constitution. This means that it will not be able to restrict the right to vote on the basis of age, sex or failure to pay taxes.

ARTICLE III

18. Under the Covenant, will the citizens of the Northern Marianas be United States citizens?

ANSWER: Under the Covenant most persons who are now permanent residents will become United States citizens when the Trusteeship ends.

19. Do they have a choice?

ANSWER: Yes, these residents will, however, have a choice to become U.S. citizens or non-citizen nationals, also called nationals.

20. What is the difference between a U.S. citizen and a U.S. national?

ANSWER: A U.S. national is a person who owes permanent allegiance to the United States, but who is neither a citizen nor an alien. He owes to the United States most of the duties owed by a citizen, but does not have the privileges which are reserved to citizens. On the other hand he is not considered an alien. That is important in the field of immigration. A national can enter the United States freely and is not subject to deportation.

Under the existing law, no one, either a U.S. citizen or a national is subject to the draft. If the draft is reinstated, a U.S. national would probably not be subject to the draft if he resides in Samoa, but would become subject to that law when he moves to any part of the United States. The draft probably would apply as in Samoa to the Northern Mariana Islands but Congress would have the power to subject nationals residing in the Northern Mariana Islands to the draft. No person--whether citizen or national--residing in the Northern Mariana Islands will be able to vote for President or Congress. But a citizen has the right when he takes up residence in a State--a national would not. (See Question 25)

A national is also restricted as to certain jobs with the federal government. He cannot, for example, hold a job with the government which requires a security clearance.

21. If local residents don't become U.S. citizens or nationals can they remain in the Marianas? Will they lose their rights?

ANSWER: If a person does not wish to be either a United States citizen or a United States national he may renounce his U.S. citizenship. He probably has to leave the United States (or in this case the Marianas) for that purpose. If he were not a national or citizen of another country, he would then be stateless. He would lose all rights to live in the Marianas.

22. Specifically, which are the classes of persons who would become United States citizens under the Covenant?

ANSWER: The provisions of the Covenant relating to United States citizenship are highly technical. One of the reasons for that intricacy is the need to prevent persons from the outside from moving into the Northern Mariana Islands solely for the purpose of becoming United States citizens when the Trusteeship Agreement ends.

There are three basic groups of persons who together with their children under the age of 18 will become citizens of the United States under the Covenant at the time of the termination of the Trusteeship Agreement:

(1) Citizens of the Trust Territory who were born in the Northern Mariana Islands and who on the day preceding termination resided either in the Northern Mariana Islands or in an area under United States sovereignty.

(2) Citizens of the Trust Territory who were not born in the Northern Mariana Islands but have been "domiciled" continuously in the Northern Mariana Islands prior to termination and registered to vote in local elections in

in the Northern Mariana Islands prior to January 1, 1975

(3) Persons who were neither citizens of the Trust Territory nor born in the Northern Mariana Islands, but who were domiciled continuously in the Northern Mariana Islands prior to January 1, 1974.

None of those persons may owe allegiance to a foreign State on the date of termination. "Domicile" as defined in Section 1005(e) of the Covenant means: "that place where a person maintains a residence with the intention of continuing such residence for an unlimited or indefinite period, and to which such person has the intention of returning whenever he is absent, even for an extended period."

23. Will citizens of the TTPI born outside the Northern Mariana Islands become United States citizens?

ANSWER: Such persons can become United States citizens if prior to termination they have been for five years domiciled in the Northern Mariana Islands; that means they have given up their domicile in the district in which they were born. In addition, they must have registered to vote in local elections in the Northern Mariana Islands prior to January 1, 1974.

24. Will persons born outside the Trust Territory of the Pacific Islands become citizens of the United States?

ANSWER: Such persons will become citizens of the United States if they have been domiciled continuously in the Northern Mariana Islands prior to January 1, 1974 and do not owe allegiance to any foreign country.

25. Will residents of the Northern Mariana Islands be able to vote for President of the United States Congress after the termination of the Trusteeship?

ANSWER: Under the Constitution of the United States only U.S. citizens which are residents of States and the District of Columbia can vote for President or Congress. Consequently, citizens of the United States cannot vote for President or Congress while they reside in the Northern Mariana Islands. But they can acquire that right if they move to one of the States or the District of Columbia. Persons who elect to become nationals would not have that privilege.

26. Does a United States national owe allegiance to the United States?

ANSWER: A United States national owes allegiance to the United States. (See also question 20)

27. If the draft is reinstated, can a United States national be drafted into the United States Army?

ANSWER: At present United States nationals living in their home area are not drafted as long as they live in their home areas. That law, however, can be changed by simple act of Congress. (See also question 20)

28. Why were the people of the Northern Mariana Islands given the choice to become nationals, rather than citizens of the United States?

ANSWER: The people of the Northern Mariana Islands were given that option in response to the wishes of those who do not want to become United States citizens.

28. What are the advantages to being a national rather than a citizen of the U.S.?

ANSWER: At present, U.S. nationals who live in their home islands would not be subject to be drafted into the U.S. military if the draft is reestablished.

ARTICLE IV

29. Will the new government and subsequent Commonwealth of the Northern Marianas have its own system of courts with local judges? Can we elect or appoint our local judges?

ANSWER: The new government and subsequent Commonwealth of the Northern Marianas will have its own system of courts with local judges appointed or elected in accordance with the Commonwealth constitution.

30. Will there be a federal court for the Northern Marianas?

ANSWER: There will be a federal court for the Northern Marianas which will be known as the District Court of the Northern Mariana Islands.

31. What powers will the District Court have?

ANSWER: The District Court will have the normal jurisdiction of a federal court. That means it will have jurisdiction over disputes arising under the Constitution or treaties of the United States or under other federal laws. The Covenant will also become federal law. In addition, the District Court would have jurisdiction over all local disputes for which the Northern Mariana Islands has not provided local courts. The District Court would also serve as a court of

appeals for the decisions of the local courts until the Northern Mariana Islands establishes its own appellate court. If the District Court sits as an appellate court it will be composed of three judges, one of whom will be from the Northern Mariana Islands. When the Northern Mariana Islands establishes its own appellate court the decisions of that court can be appealed to the federal courts to the extent that they involve federal questions.

The reason for letting the District Court decide local matters is that for the first few years the Northern Mariana Islands may not have enough judges with sufficient experience to decide complicated matters. Once the Northern Mariana Islands has enough experienced judges it will transfer jurisdiction over local matters from the District Court to the Northern Mariana Islands courts.

The Covenant also provides that for the first fifteen years after establishment of an appellate court by the Northern Mariana Islands the decision of that court involving federal questions will be reviewed by the Court of Appeals, and thereafter by the Supreme Court. The reason for that provision is that the Supreme Court can refuse to review many types of decisions of lower courts, while the Court of Appeals must review them all. It was felt desirable that during the first years of the Commonwealth relationship the legal relationship between the United States and the Northern Marianas should be firmly established by as many judicial decisions as possible.

32. Will local trial assistants lose their right to practice law?

Can they go before the federal courts?

ANSWER: Standards of competence to appear before the bar are normally set by the local courts in consultation with the local bar association. Federal courts normally follow local procedure in admitting lawyers to the bar. Thus the ability of local trial assistants to practice law will depend on the standards which are set.

33. Will the OEO Legal Services continue to provide legal assistance?

ANSWER: OEO Legal Services will not be affected by the Covenant but will continue by the federal laws applicable to them.

34. Why was it decided that the complex federal rules of procedure would apply in the Marianas?

ANSWER: The complex federal rules of legal procedure would apply to the new Commonwealth Government because these rules have been found to help the courts carry out their objective of dispensing justice.

ARTICLE V

35. Will the United States Constitution be fully applicable in the new Commonwealth of the Northern Mariana Islands?

ANSWER: The United States Constitution will not be fully applicable to the Northern Marianas because some of the provisions of the Constitution are, and can be made, applicable only to the States. The provisions of the Constitution guaranteeing the basic rights of U.S. citizenship, however, have been made to the Northern Mariana Islands. This includes the first ten amendments to the Constitution which

are called the Bill of Rights (except for the Tenth Amendment which applies only to the States). On the other hand, the Covenant specifically exempts the Northern Mariana Islands from certain provisions of the Constitution which are not suitable to the special conditions prevailing there. Those are the provisions establishing the one man-one vote principle; the requirement of indictment by grand jury and trial by jury in local trials, those relating to the uniformity of rules in naturalization; and any constitutional provisions which might be inconsistent with the provisions of the Covenant limiting the alienation of land to persons who are not of Northern Mariana Islands descent. (See also Questions 10 and 17)

36. What federal laws will apply to the Northern Mariana Islands?

ANSWER: Section 502 of the Covenant contains a formula governing the applicability of federal laws to the Northern Mariana Islands. That formula is complicated because many federal laws apply only to the States, or apply differently in the various territories. Section 502 seeks to establish for the Northern Mariana Islands a workable body of federal laws when the new Government will be established. As a general rule, however, the federal laws that apply to Guam will apply to the Northern Mariana Islands. Above all the laws which provide for federal services and assistance programs will be applicable to the Northern Mariana Islands as they apply to Guam. There are more of those programs applicable to Guam than to the Trust Territory of the Pacific Islands.

37. Is the formula established in Section 502 of the Covenant final?

ANSWER: No. That formula is only tentative to take care of the problems which we were able to foresee. A special commission appointed by the President will be set up to determine whether the formula works adequately and to determine any changes that will have to be made. That commission will consist of seven members, at least four of whom must be citizens of the Trust Territory of the Pacific Islands and who have been domiciled for at least five years in the Northern Mariana Islands.

38. Why can't the people of the Northern Mariana Islands decide which federal laws will apply to the Northern Mariana Islands?

ANSWER: Under the system of the U.S. Constitution, the Congress and not the members of the district determines the applicability of federal laws. It was recognized, however, that the applicability of certain federal laws in their present form would create serious problems to the Northern Mariana Islands; with respect to some of those laws Congress is considering modification of the way in which they now apply to Guam. Section 503 therefore provides that certain laws shall not apply to the Northern Mariana Islands until termination of the Trusteeship Agreement, and thereafter only in the manner and to the extent provided by Congress. It is assumed that by then Congress will have amended them to take care of the special problems of small island communities. Those laws are the Immigration and Naturalization laws; the coastwise laws of the United States, especially those requiring that goods must be carried in United States vessels

between United States ports; laws relating to landing of fish and unfinished fish products in the United States; and the minimum wage provision of the fair labor standards act.

39. What portions of the U.S. Constitution will not apply? For example, will the equal protection laws of the 14th Amendment apply? Will the women's suffrage Amendment apply?

ANSWER: The Constitutional protections of the rights of individuals and groups before their government will be fully applicable in the Northern Marianas. This will include the Bill of Rights, the 14th Amendment and the amendments guaranteeing that people may vote no matter what their sex, race or age if older than 18.

40. Will the Minimum Wage Act apply?

ANSWER: The Minimum Wage Act will not apply in the Northern Marianas unless specifically enacted by the Congress of the United States for the new commonwealth after the end of the Trusteeship.

41. Will the Equal Rights Amendment if ratified by the States apply?

ANSWER: Yes, new amendments to the U.S. Constitution will apply in the Northern Marianas.

42. Will all Supreme Court decisions made applicable to Federal and State Government apply also in the Marianas, including the principle of one man-one vote?

ANSWER: All Supreme Court decisions made applicable to Federal and State governments will also apply in the Northern Marianas including the principle of one man-one vote. However, the Covenant permits the

Mariana Islands to waive this principle in the upper house of their legislature if their constitution provides for special representation of the islands of Rota and Tinian. (See also question 35)

43. Will the Jones Act apply to the Marianas?

ANSWER: At present the Jones Act does not apply and will not apply to the Northern Mariana Islands unless made applicable by the United States Congress after termination of the Trusteeship Agreement.

44. What Federal Programs not presently applicable will be made applicable to the Northern Mariana Islands?

ANSWER: The Marianas, even before the Trusteeship ends, but especially after, will, like Guam, be eligible for a host of Federal programs and services for the individual, the municipality and community and the Commonwealth as a whole. A survey of the programs and services now operating in the Trust Territory and Guam indicates that the following list at a minimum can be available to the Marianas. Dollar amounts are for FY 1973 and for Guam and the Trust Territory as indicated. Because of the population factor, the dollar amounts for the Marianas may be smaller although the range of availability will not.

(1) Federal Programs and Services of Direct Benefit
to Individuals:

Work Incentive Program	\$	289,000	- Guam
Public Employment Program		315,220	- TTPI
Institutional Training		254,300	- Guam

Legal Services	\$	600,000	- TTPI
Small Business Assistance		51,600	- TTPI
Low Rent Public Housing		36,200	- Guam
Aid to Disabled		15,140	- Guam
Work Incentives for Child Care		116,000	- Guam
Old Age Assistance		247,000	- Guam
Headstart Program		432,036	- TTPI
Crippled Children Aid		387,400	- Guam
Maternal Care and Assistance		47,300	- Guam
Income Stabilization - Farmers		14,100	- TTPI
Higher Education/Upward Bound		92,680	- Guam
Higher Education/Work Study		65,600	- Guam
Vocational/Adult Education		210,200	- TTPI
Adult Special Need Education		16,100	- Guam
Adult Consumer Education		20,700	- Guam
Adult Basic Education		210,284	- TTPI
Educationally Handicapped Aid		130,000	- TTPI
Direct Food Distribution (Families)		309,066	- TTPI
Job Placement Services		82,000	- Guam
Child Welfare		87,000	- Guam
Support for Prisoners		27,200	- Guam

(2) Federal Programs and Services Operating at the
Municipal or Community Level:

Neighborhood Youth Corps	\$	464,000	- Guam
Construction of Wastewater Treatment Works		323,000	- Guam
Community Action	1,	319,000	- TTPI
Community Program Development		38,000	- TTPI
Treatment Center Construction		294,000	- Guam
Local Medical Facilities Construction		381,000	- Guam
Library Assistance-Supplies		68,000	- TTPI
Medical Assistance-Local Administration		19,800	- Guam
Direct Food Distribution-Schools		666,300	- TTPI
Aging Assistance-Communities		149,200	- Guam
Community University Grant		26,000	- Guam
Mental Health Community Aid		204,400	- Guam
Fishing Management		27,000	- Guam
Outdoor Community Recreation		33,300	- Guam
Community Alcoholic Rehabili- tation		18,000	- TTPI
Community Planning Grants		77,000	- Guam
Urban Renewal Program		355,200	- Guam
Bilingual Education-Community Schools		203,500	- Guam

Manpower Development Adminis- tration	\$	115,800	- Guam
Local Libraries Constrution		67,000	- Guam

(3) Federal Programs and Services for Central Govern-
ment (Commonwealth) Distribution and Use:

School Lunch and Breakfast Payments		273,000	- Guam
Health Planning and Formula Grants		321,000	- Guam
State Aid for Education-Salary Grants and Administration, Fac- ilities Construction		10,083,300	- Guam
Adult Education-Territory Grant		71,000	- Guam
Special Projects-Education Department		54,300	- Guam
Environmental Education		1,600	- Guam
Supply Services-Education		246,000	- TTPI
Rehabilitation Basic Grant		534,400	- Guam
Planning Grant for Aging		26,000	- TTPI
Public Assistance Grants		115,000	- Guam
Public Assistance/Social Services		214,000	- Guam
Categorical Rehabilitation Grants		45,000	- Guam
Law Enforcement Assistance		478,300	- Guam
Immigration and Naturalization		288,000	- Guam
Annual Assistance-U.S. Attorneys		133,600	- Guam
Highway Planning and Construc- tion		1,440,000	- Guam
Intergovernmental Personnel Assistance		60,000	- Guam
Environmental Planning Grants		35,000	- Guam
Buildings Management		36,000	- Guam
Progress in the Arts Grants		54,500	- Guam
Territory Business Incentive Assistance		100,000	- Guam
Higher Education/Construction		125,000	- Guam
Territory Grants to Families with Deprived Children		998,000	- Guam

It should be remembered that the above listing is nonduplicative in program function and, for the Marianas Commonwealth, represents a minimal selection in terms of availability range. Even if the Marianas would be finally eligible for only 25% of the dollar amount of each

listed program, total worth would still exceed \$6,000,000 (twice the U.S. estimate) in annual dollar value.

Within each category above, Federal programs and services provide dollars for the following areas:

- supply procurement; health, education, capital construction;
- training;
- building maintenance;
- outdoor recreation;
- operations expenses;
- youth programs;
- old age programs;
- continuing education;
- technical assistance;
- law enforcement;
- development loans;
- health programs from infancy to old-age;
- program administration and salaries; and
- emergency relief.

45. What does it mean to the Northern Mariana Islands by saying the laws that apply in Guam will be extended to the Northern Mariana Islands?

ANSWER: The Covenant provides as an interim step that laws presently applicable to Guam will as a general rule be extended to include the new government of the Northern Mariana Islands and subsequent Commonwealth. This is done to ensure that the Northern Mariana Islands

will be able to enjoy immediately the rights and privileges under the new status which includes some very important federal programs.

(See also question 36)

46. What provisions of the Constitution of the Northern Marianas must be consistent with the Covenant?

ANSWER: The entire Constitution of the Northern Marianas must be consistent with the Covenant. This means practically that they must have a republican form of government democratically elected with a bill of rights which guarantees the rights of individuals as is customary in the American political system. (See also question 15)

47. Will federal standards in medicine, law, pharmacy and other social services and professional apply in the commonwealth? What does "banking laws" mean? What about U.S. standards for licensing of the professions?

ANSWER: There are no "federal" requirements for admission to practice law, medicine or other similar professions. Requirements for these professions are established locally in accordance with local practices and needs. However, the federal government in making grants to local medical institutions also requires that certain minimum national standards be met before money can be made available by the federal government. Banking, however, is subject directly to federal laws and standards in that banks deal in national currency.

48. Why won't minimum wage apply in the commonwealth?

ANSWER: In the Covenant, the minimum wage law was specifically excluded because it was thought that a sudden application of U.S. wage levels could injure the economy of the Northern Marianas.

ARTICLE VI

49. Will Federal Income Tax laws apply as they do now in Guam?

ANSWER: Yes. Federal Income Tax laws will apply to the Northern Mariana Islands as they now apply to Guam. The reason for this is that the United States Congress does not wish to establish a tax haven for rich Americans in the Northern Marianas. However, the Federal Income taxes collected will be returned completely to the new Government of the Northern Mariana Islands.

50. Will the Government of the Northern Mariana Islands have the right to enact its own income tax law and change the law to reduce or raise taxes?

ANSWER: No. The Government of the Northern Mariana Islands will not have the right to establish its own income tax laws. However, it may reduce the impact of the federal income tax law by giving rebates of the taxes on locally earned income according to its own local law. The Government of the Northern Mariana Islands may not raise the income tax.

51. What does the term "Customs territory" mean and why does the Mariana Islands wish to remain outside the customs territory of the United States? Does this mean we can trade with Japan?

ANSWER: The term customs territory means that area subject to the customs laws of the Federal Government. Guam, Puerto Rico, American Samoa and the Virgin Islands are outside the customs territory of the United States. It is advantageous for the new Commonwealth to be outside the customs territory also because duties on imports from major traders can be regulated locally. This means that the Northern Marianas can trade with Japan, for example, without worrying about

U.S. quotas for Japanese products or duties for specified manufactured goods. These duties will be set locally.

52. Can the new Commonwealth enact taxes on goods entering the Commonwealth" Can these taxes discriminate against products coming from particular countries such as Australia and Japan?

ANSWER: The new Commonwealth can enact taxes on goods entering the Commonwealth. There are some restrictions to this taxing power and they cannot discriminate against any particular country in accordance with the United States treaty obligations. The new Commonwealth cannot tax the United States Government or its agents. The tax rate is set by the local government and revenues will be retained in the general fund of the new Commonwealth.

53. Will the United States social security system apply in the new Commonwealth? Will there be a difference?

ANSWER: If the local legislature wishes to do so, rates and benefits like those in the United States social security system can be phased in over the period, however, the U.S. Social Security System will not apply until the end of the Trusteeship when the U.S. system will be fully applicable and there will be no difference between the U.S. system and the Marianas system.

54. Is there any limit on the public debt that the new Commonwealth Government may undertake?

ANSWER: Yes. In the Covenant, the limit on public debt is ten per cent of the value of the real property of the Marianas District.

55. What will be the status of Trust Territory-wide businesses now based in Saipan after the Commonwealth agreement is signed? If the Marianas enters into the American system, can it keep out U.S. businesses?

ANSWER: The status of Trust Territory-wide businesses now based in Saipan will be unchanged until the end of the Trusteeship Agreement. At that time, the constitution governing the Marshalls and Caroline Islands will be applicable and may restrict some business activity by American businessmen including those in the new Commonwealth. If they do this, businessmen in Saipan will be affected also.

ARTICLE VII

56. How much financial assistance will the Federal Government guarantee to the Government of the Northern Mariana Islands? When will it be made available? Does the Government of the Northern Mariana Islands have to go to the U.S. Congress and justify this?

ANSWER: The Federal Government will guarantee \$14 million in constant 1975 dollars to the new government of the Northern Mariana Islands for the first seven years. After this period the amount will be subject to the approval of Congress, as are all appropriations for all government agencies. The money will be made available with the installation of the new government of the Northern Mariana Islands under its own constitution, which may occur as early as mid-1976. The Government of the Northern Marianas will not have to go to the U.S. Congress to justify the \$14 million for the first seven years or thereafter

until the Congress acts to change the level; however, after that time it will have to justify its requests as does the Government of Guam now.

57. a. After the initial seven-year period, does the Covenant terminate?
b. After the initial seven-year period, does the United States obligation to give financial assistance terminate? c. Can the U.S. Government cut funds below what we have agreed to?

ANSWER: a. The Covenant defines a permanent relationship and does not terminate after the initial seven years of financial assistance. b. The United States obligation to give a specific amount of financial assistance does terminate after the initial seven-year period if Congress so chooses; however, it retains the obligation to assist the people of the Northern Mariana Islands toward a reasonably comparable standard of living to that of other Americans. c. If Congress approves the Covenant, it binds itself to provide the funds agreed to in the Covenant.

58. Why does the Covenant earmark \$2 million for special purposes; such as those earmarked for Rota, Tinian, fishermen and farmers, technical education and for low income housing?

ANSWER: The Covenant earmarks \$500,000 for Rota and \$500,000 for Tinian in order to provide a regular source of funds for needed capital improvement projects outside the regular Northern Mariana Islands budget. Also the Covenant provides \$500,000 for small loans to farmers and fishermen and to agricultural and marine cooperatives to encourage greater development in these areas; \$250,000 for low cost housing to

assist low income families in the Northern Marianas; and \$250,000 for special educational programs to assist in the training of personnel to perform the new jobs created by the establishment of a new government.

59. In the case of Federal Government Programs can the grant funds made available under the Covenant be used to obtain additional funds under federal matching grant programs?

ANSWER: Under the Covenant as presently drafted, the money given to the Government of the Northern Mariana Islands under the agreement will be considered as local revenue just as it is now with the Trust Territory funds and therefore can be used to obtain matching grant federal programs.

60. Will federal taxes collected under the Internal Revenue Law be returned to the Government of the Northern Mariana Islands as now occurs in Guam and the Virgin Islands?

ANSWER: Federal taxes collected under the Internal Revenue Code will be returned to the Marianas. (See also question 49).

61. What happens to federal grant funds made available to the government of the Northern Mariana Islands under this Covenant but remaining unobligated at the end of the fiscal year? Are they returned to the Federal Treasury as is the practice now with the States and federal agencies and departments, or will the new government of the Northern Mariana Islands keep them? Will the new government be financially accountable for how it spends the money?

ANSWER: Federal grant funds are to be considered as "no year funds" and therefore will not have to be returned if unobligated at the end of the year but will carry over to the next year. There is a separate

provision in the Covenant guaranteeing this understanding. The new government of the Northern Mariana Islands will be accountable for how it spends its money. In fact, the Guam Controller will be responsible for reviewing the expenditure of federal funds.

ARTICLE VIII

62. What are military retention lands and what happens to those remaining in the Mariana Islands under the Covenant?

ANSWER: Military retention lands are those lands formerly owned by the Japanese which were acquired by the United States Government for an indefinite term for military purposes. The money paid twenty years ago, about \$40 per acre, was put into a Trust Fund for the benefit of the people of the Marianas. Some of the money was used to build Dr. Torres Hospital. The fund has presently \$450,000 in assets. Under the Covenant there will be no more military retention lands in the Marianas. They will become part of the public domain of the Northern Marianas.

63. As part of the Marianas status negotiations, the U.S. has negotiated with the Marianas the lease of certain lands in the Marianas for the eventual purpose of building a base. Where is this land and how much is the U.S. paying to rent it?

ANSWER: The United States has negotiated the lease of lands on Tinian, on Saipan at Tanapag Harbor, and the Islands of Farallon de Medinilla. The United States is paying a total of \$19,520,600 for these 18,182 acres of land. The United States is returning all other lands now held in the Northern Marianas.

64. Why must the \$2 million paid for Tanapag be used to establish a Memorial Park?

ANSWER: The \$2 million paid for the Tanapag land will be used to develop and maintain the American Memorial Park to be established for the people of the Marianas. At present, plans for this park include only the construction of the United States memorial. Other facilities must be built with the money paid to lease the land. The money paid to lease the land must be used to establish a memorial park because normally park land is donated, not leased. In this case, a condition of the lease was that the money be used to establish a memorial park.

65. What are leaseback arrangements? Can we build public projects on the leased back land?

ANSWER: Leaseback arrangements are agreements to lease back to the local government at a nominal sum land originally leased to the Federal Government under the Covenant. The arrangements are designed to permit normal use of the land compatible with future federal uses until such time as the military needs to build on it. This means that large buildings and other permanent structures generally cannot be built on land handed over to the local government on a leaseback arrangement.

66. There is mention of a Technical Agreement on land. What is this and how does it fit into the Covenant negotiations?

ANSWER: The Technical Agreement on land is a separate agreement signed at the same time as the Covenant. This agreement outlines the rights the United States military will have to use the land provided by lease, the leaseback arrangements and terms for joint use of facilities by the civilian population and the United States military.

67. Why does the Commonwealth arrangement permit the local government to regulate who can purchase lands in the Commonwealth in spite of

the equal protection of the laws clause of the 14th Amendment of the U.S. Constitution?

ANSWER: There is a good chance that if the small amount of land presently available in the Mariana Islands were offered for sale the people born in the Marianas would soon be landless in their own islands. The U.S. Supreme Court has held that the Constitution cannot be used to cause people mischief and has specifically ruled that the United States could restrict ownership of land to certain classes of citizens. (See also Question 9)

68. a. Under the Covenant, will the United States Government have the right to exercise eminent domain? b. Under the Covenant, will the United States Government limit itself in any way from exercising that power of eminent domain?

ANSWER: a. Yes. The United States Government would have the same authority to exercise eminent domain in the Northern Mariana Islands as it has in the States. b. The United States has said it has no known needs for land in the Marianas beyond those contained in the Covenant. Moreover, in the case of the Marianas, the U.S. Government has agreed to exercise this authority very carefully should that ever be necessary and will seek only the minimum interest in real property necessary to accomplish public purposes. Also, the Covenant limits the exercise of this authority by the Executive Branch to those cases where it is authorized by Congress and the appropriations are available.

69. Will the United States make an additional payment for its renewal of leases on land at the end of the initial fifty year period?

ANSWER: The United States will not make an additional payment for its leases at the end of fifty years.

ARTICLE IX

70. Will the Commonwealth of the Northern Mariana Islands elect a representative to the Congress of the United States? If not, who will represent them in Washington?

ANSWER: The Commonwealth will not elect a representative to the Congress of the United States but will elect a Washington representative who will be fully accredited before the Departments and agencies of the Executive Branch. If the Congress so chooses, the Washington representatives may also be accredited before them in a manner and method which the Congress itself would determine.

71. If we choose to do so will the non-voting delegate from Guam also include the people of the Marianas among his constituents?

ANSWER: The non-voting delegate from Guam will of course be interested in laws affecting the Marianas; however, he will be able to represent the people of the Marianas formally only with the consent of the Congress of the United States, the people of Guam and the people of the Marianas.

72. How will disputes under this Covenant be resolved? Will the federal courts have jurisdiction: Will the Supreme Court have original jurisdiction as is the case now with the States?

ANSWER: Disputes under this Covenant that cannot be settled by consultation will be resolved by the local Federal Court with normal rights of appeal. The Supreme Court in this case will not be the

court of original jurisdiction as is presently the case with disputes under the Constitution between the Federal Government and the several States.

73. Will the Commonwealth of the Northern Mariana Islands be permitted to be a member of international regional organizations not of general interest to other States and territories of the United States?

ANSWER: The Commonwealth of the Northern Marianas will be permitted to participate in regional and other international organizations when similar participation is authorized for any other United States territory or possession under comparable circumstances.

74. Who will have a right to vote on the Covenant? What about employees of the Trust Territory of the Pacific Islands Government who are not of Marianas ancestry?

ANSWER: The vote on the Covenant will be limited to those registered voters who are also domiciled in the Mariana Islands. This means anyone who is registered to vote and who calls the Marianas his home and who does not plan to return permanently to another place he or she also calls home. Therefore, some people not of Marianas ancestry will be permitted to vote, and some people who are registered to vote in the Marianas but actually call somewhere else their home, will not be permitted to vote. After the vote, the Covenant will be submitted to the Congress of the United States for approval.

75. How will the Trusteeship end?

ANSWER: The United States will proclaim the termination of the Trusteeship. Before such proclamation, the people of the TTPI will have

expressed their aspirations of self-determination, and the United States will have sought the approval of the United Nations Security Council for termination of the Trusteeship Agreement.

76. Do the people of the Northern Marianas have the right to request termination of the Trusteeship before the other districts of the Trust Territory have completed their negotiations?

ANSWER: Yes. The people of the Northern Marianas may make such a request, however, the United States has said many times that it will terminate the Trusteeship simultaneously for all districts of the Trust Territory.

77. a. Will the Mariana Islands be permitted to govern themselves under the Covenant even before the Trusteeship Agreement is terminated? b. Can the Commonwealth come into being before termination of the Trusteeship Agreement?

ANSWER: a. Yes. The Mariana Islands will have their own constitutional convention and will elect their own governor, legislature and other officials in accordance with their constitution. Thus, the Northern Mariana Islands could govern itself locally as described in the Covenant.

b. No. For the Commonwealth to come into being, the Northern Mariana Islands would have to be part of the United States, or in other words, the U.S. would have sovereignty over the Northern Mariana Islands and would be able to bestow American citizenship on citizens of the Northern Mariana Islands. This cannot occur until termination of the Trusteeship Agreement.

78. What provisions of the Covenant can be put into effect before the

termination of the Trusteeship Agreement and what provisions cannot be put into effect?

ANSWER: Section 1003 of the Covenant lists the provisions of the Covenant that will become effective before termination. Not included are Section 101 (establishing U.S. sovereignty over the Commonwealth); Section 104 (vesting Foreign Affairs and Defense authority in the United States); Article III (U.S. Citizenship and Nationality); Section 506 (U.S. citizenship for "immediate relatives"); Section 607 (U.S. taxation of local bonds and limits on local indebtedness); Section 806 (U.S. eminent domain authority); and Section 904 (Northern Mariana Islands participation in matters involving international affairs).

79. When may the people of the Northern Mariana Islands become United States citizens?

ANSWER: The people of the Northern Marianas may become citizens at the end of the Trusteeship. This should be sometime in 1980 or 1981 by present plans.

80. When will the Constitution of the Northern Marianas become effective?

ANSWER: The Constitution of the Northern Marianas can become effective immediately upon its approval by the people of the Northern Marianas and the Government of the United States if the Constitution of the Northern Mariana Islands so provides.

81. Commonwealth means that the people of the Northern Marianas will enjoy the rights of American citizenship. Will federal standards apply, such as minimum wage laws, income tax laws, federal standards for hospitals, schools and so forth, and if so, how?

ANSWER: Federal standards in such things as minimum wages will apply if the Congress of the United States makes them applicable to the new Commonwealth. Federal standards for schools, hospitals and so forth are permissive and are normally tied to funded federal programs. Therefore, the new Commonwealth may accept them and the program for which they are designed or reject them and the money which is tied to meeting these standards. (See also question 47).

82. Does the constitution of the Northern Marianas have to be approved by the President and the Congress of the United States?

ANSWER: The Constitution of the Northern Marianas must be approved by the Government of the United States. It is anticipated that the President would approve the constitution in consultation with the Congress. This approval goes only to whether it is consistent with the Covenant, however, and may result automatically after six months, if the U.S. Government has not taken any action. (See also question 12)

83. If there is eventually a military establishment on Tinian, will the children of the present residents of Tinian be admitted to schools established for military dependents? Fishing? Beaches? Roads? Fencing?

ANSWER: If there is a military establishment on Tinian, the children of military dependents and the present residents will probably all go to the same schools. Normally the Federal Government will give what is called impact aid to the local schools to ensure that reasonable national standards of education are maintained when a number of military dependents are to be added. Local residents will be permitted

to use beaches and to fish and hunt on military base property consistent with the terms of the Technical Agreement.

84. When will the United States implement separate administration for the Mariana Islands? Will we elect our own chief executive at that time?

ANSWER: The United States plans to implement separate administration immediately after approval of the Covenant of the Northern Marianas by the voters. If the Covenant is disapproved no separate administration will be ordered. At the time of separate administration the Marianas will have an appointed district administration the Marianas will have an appointed district administrator under a U.S. Resident Commissioner until such time as they elect a new government under their own constitution.

85. What will be our relationship to the rest of the Trust Territory of the Pacific Islands?

ANSWER: The relationship of the Marianas to the rest of the Trust Territory of the Pacific Islands will be that of a separate government sharing some common services and still part of the Trust Territory but reporting separately to the Interior Department.

86. If the United States military did not want land for its bases, would the United States consider a group of islands with a population of only 15,000 for Commonwealth?

ANSWER: Even if the United States military did not want land in the Marianas the United States Government has an obligation pursuant to the Trusteeship Agreement to assist the people of the Territory towards

self-determination. The fact that the Marianas has wanted to become a part of the United States for almost a generation has caused a unique situation which the United States has sought to resolve by entering into the negotiations that have now resulted in the Commonwealth Covenant.