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SECTION BY SECTION ANALYSIS OF THE
COVENANT TO ESTABLISH A COMMONWEALTH OF THE
NORTHERN MARIANA ISLANDS IN POLITICAL UNION
WITH THE UNITED STATES OF AMERICA

ARTICLE I. POLITICAL RELATIONSHIP

Section 101. Upon the termination of the Trusteeship Agreement between the United States and the United Nations Security Council, the Northern Mariana Islands will be under the sovereignty of, and in political union with, the United States; and they will be a self-governing Commonwealth. Pursuant to Section 105 of the Covenant the political union between the United States and the Northern Mariana Islands can be dissolved only by mutual consent.

Section 102. This provision is analogous to the Supremacy Clause (Article VI, section 2) of the Constitution of the United States.

Section 103. The people of the Northern Mariana Islands will have the right of self-government.

Section 104. The United States will have exclusive responsibility and authority for foreign affairs and defense.

Section 105. The United States, in accordance with its Constitutional processes, may enact legislation applicable to the Northern Mariana Islands. There are two limited exceptions to this rule described in the section.

ARTICLE II. CONSTITUTION OF THE NORTHERN MARIANA ISLANDS.

Section 201. The people of the Northern Mariana Islands will have the right to adopt and amend their own Constitution.

Section 202. The Constitution of the Northern Mariana Islands will be submitted to the Government of the United States for approval on the basis of its consistency with the Covenant and the provisions of the Constitution, treaties, and laws of the United States applicable to the Northern Mariana Islands.

Section 203. Requirements for the Constitution of the Northern Mariana Islands are the following:

- a. A republican form of government with three separate branches;
- b. Popular election of a Governor;
- c. Popular election of a legislature; and

03 -

- d. A judicial system as the Constitution or laws of the Northern Mariana Islands may provide.

Section 204. Government officers will swear or affirm to support the Covenant, and those provisions of the Constitution, treaties, and laws of the United States which apply to the Northern Mariana Islands.

ARTICLE III. CITIZENSHIP AND NATIONALITY.

Section 301. United States citizenship is conferred on specified categories of persons.

Section 302. Persons will have the option to become nationals but not citizens of the United States.

Section 303. All persons born in the Northern Mariana Islands and subject to the jurisdiction of the United States after the effective date of the section, i.e., after the termination of the Trusteeship (1003(c)), will be citizens of the United States at birth.

Section 304. Under this section citizens of the Northern Mariana Islands will be entitled to all privileges and immunities of citizens in the several States.

ARTICLE IV. JUDICIAL AUTHORITY

Section 401. A United States District Court will be established for the Northern Mariana Islands.

Section 402. The District Court will have jurisdiction as specified in the section.

Section 403. The courts in the Northern Mariana Islands will be integrated into the federal judicial system.

ARTICLE V. APPLICABILITY OF LAWS.

Section 501. Specific provisions of the United States Constitution are made applicable to the Northern Mariana Islands.

Section 502. Certain existing laws of the United States will apply in the Northern Mariana Islands.

Section 503. Certain existing laws of the United States will not be applied in the Northern Mariana Islands unless specifically made applicable by the Congress.

Section 504. A Commission on federal laws will be established to make recommendations to the Congress as to the applicability of federal laws to the Northern Mariana Islands.

Section 505. Trust Territory of the Pacific Islands laws and regulations applicable to the Northern Mariana Islands and not inconsistent with the Covenant or the Constitution will remain in force.

Section 506. Certain provisions of the Immigration and Nationality Act will be applied in the interim to the Northern Mariana Islands as specified.

ARTICLE VI. REVENUE AND TAXATION.

Section 601. United States income tax laws will be applied to the Northern Mariana Islands as a local territorial income tax.

Section 602. The Government of the Northern Mariana Islands may impose taxes in addition to those imposed by the local territorial income tax and may rebate certain taxes received by it.

Section 603. The Northern Mariana Islands will not be included within the customs territories of the United States. Imports and exports of the Northern Mariana Islands will be dealt with as provided in the section.

Section 604. The United States Government and the Government of the Northern Mariana Islands may levy excise taxes in the Northern Mariana Islands as provided by the section.

Section 605. The United States Government and its employees will have certain immunities from customs duties and local taxation.

Section 606. The social security system of the Northern Mariana Islands is related to that of the United States as provided by the section.

Section 607. Obligations of the Government of the Northern Mariana Islands will be exempt from taxation by the United States or its political subdivisions, and certain limitations are imposed on authorization of public indebtedness.

ARTICLE VII. UNITED STATES FINANCIAL ASSISTANCE.

Section 701. The United States undertakes to provide financial assistance to the Government of the Northern Mariana Islands.

Section 702. The United States commits itself to provide specific annual levels of financial assistance.

Section 703. The United States will make available to the Northern Mariana Islands the federal programs and services available to the territories of the United States. Proceeds of customs duties and other specified taxes derived from the Northern Mariana Islands will be paid into the Treasury of the Government of the Northern Mariana Islands.

Section 704. Technical details of the provisions of financial assistance to the Northern Mariana Islands are provided in the section.

ARTICLE VIII. PROPERTY.

Section 801. Real property interests of the Government of the Trust Territory of the Pacific Islands will be transferred to the Government of the Northern Mariana Islands.

Section 802. Certain real property will be made available by lease to the Government of the United States for its defense responsibilities.

Section 803. The property described in Section 802 will be leased for a term of 50 years with an option in the United States to renew the lease for an additional 50 years. In full settlement of the lease provided, the United States will pay \$19,520,600 in constant 1975 dollars. A separate technical agreement will govern the terms of the lease. The United States will lease back portions of the lands leased. A portion of the leased property at Tanapag Harbor will be made available to the Government of the Northern Mariana Islands at no cost for a public memorial park.

Section 804. Agreements between the United States and the Government of the Trust Territory of the Pacific Islands granting real property rights to the United States will be terminated. The United States retains rights to use certain facilities at Isley Field and will be assured continued use of certain other properties.

Section 805. Alienation of long term interests in real property will be regulated as specified by in the section.

Section 806. The United States will limit its acquisition of any other interests in real property in the Northern Mariana Islands. The United States will have the power of eminent domain but will exercise it with restraint.

ARTICLE IX. NORTHERN MARIANA ISLANDS REPRESENTATION AND CONSULTATION.

Section 901. The Northern Mariana Islands may designate a resident representative to the United States.

Section 902. The Government of the United States and the Government of the Northern Mariana Islands will consult regularly on all matters affecting the relationship between them.

Section 903. Provisions of the Covenant will not prevent presentation of cases or controversies arising under the Covenant to United States Courts.

Section 904. The Government of the United States will cooperate in specified ways with the Government of the Northern Mariana Islands concerning certain international matters of concern to the Northern Mariana Islands.

ARTICLE X. APPROVAL, EFFECTIVE DATES, AND DEFINITIONS.

Section 1001. The Covenant will be approved by the Marianas District Legislature and by a plebiscite in the Northern Mariana Islands. The United States will approve the Covenant in accordance with its Constitutional processes, and it will become law.

Section 1002. The President of the United States will proclaim establishment of the Commonwealth upon termination of the Trusteeship Agreement.

Section 1003. Effective dates of the various provisions of the Covenant are provided by the section.

Section 1004. The President may suspend application of any provision of the Constitution or laws of the United States applicable to the Northern Mariana Islands until termination of the Trusteeship. The President may render ineffective any provision of the Constitution of the Northern Mariana Islands prior to termination of the Trusteeship Agreement if such provision would be inconsistent with the Trusteeship Agreement. The Constitution of the Northern Mariana Islands will become effective as provided in this section.

Section 1005. Certain important terms used in the Covenant are defined.