(Mm)

November 28, 1976

08

CHANGES FOR STYLE, CONSISTENCY AND CLARITY RECOMMENDED BY THE CONSULTANTS

ARTICLE XI: PUBLIC LANDS

Section 1: Public Lands. All-of The lands as to which right, title or interest have been or hereafter are transferred from the Trust Territory of the Pacific Islands to any legal entity in the Commonwealth pursuant-to under Secretarial Order 2969, promulgated by the United States Secretary of the Interior on December 26, 1974, all-of the lands as to which right, title or interest have been vested in the Resident Commissioner pursuant-to under Secretarial Order 29897 promulgated by the United States Secretary of the Interior on March 24, 1976, all-of the lands as to which right, title or interest have been or hereafter are transferred to or by the government of the Northern Mariana Islands pursuant under to article VIII of the Covenant, and all the submerged lands off the coast of any-part-of the Commonwealth to which the Commonwealth now or hereafter may have a claim of ownership pursuant-to under international law or United States law are public lands and belong collectively to the people of the Commonwealth who are of Northern Marianas descent.

Section 2: Submerged Lands. The management and disposition of submerged lands off the coast of any-part-of the Commonwealth shall be as provided by law.

Section 3: Surface Lands. The management and disposition of all public lands except those provided for by section 2 shall be the responsibility of the Marianas Public Land Corporation.

Section 4: Marianas Public Land Corporation. There is hereby established the Marianas Public Land Corporation.

- a) The corporation shall have nine directors appointed by the governor with the advice and consent of the senate who shall direct the affairs of the corporation for the benefit of the people of the Commonwealth who are of Northern Marianas descent.
- b) Two directors shall be residents of Saipan, two shall be residents of Rota, two shall be residents of Tinian, one shall be a resident of the islands north of

 Saipan and one shall be a Carolinian or person of Carolinian descent. and-one-shall-be-a-resident-of-the-Northern-Islands. Each director shall be a United-States citizen or national of the United States, a resident of the Commonwealth for at least five (5) years immediately preceding the date on which the director takes office his-appointment, a person who has not been convicted of any a crime carrying a maximum sentence of imprisonment of more than six months, a person who is able

to speak Chamorro or Carolinian and a person of Northern Marianas descent.

- of six years provided, however, except that three of the first nine directors appointed shall serve a two-year term of two years and three shall serve a four-year term of four years.

 and-three-shall-serve-a-six-year-term:--No A person may not serve more than one term as director.
- d) The corporation shall act by majority vote of the total number of directors and shall have all-ef-the powers available to a corporation under Commonwealth law.
- e) The directors shall prepare-and-publish once-each-year-a make an annual written report to the people of the Commonwealth describing the management of the public lands and the nature and effect of any transfers of interests in public land made during the preceding year and disclosing the interests of each-of the directors in any land in the Commonwealth.
- f) At-any-time-ten-years After the-effective date-of this Constitution has been in effect for at least ten years, by-an-affirmative-vote-of-two-thirds-of-the-members-of each-house-of-the-legislature the corporation may be dissolved and its functions may be transferred to the executive branch of government by an the affirmative vote of two-thirds of the members of each house of the legislature.

Section 5: Fundamental Policies. The Marianas Public Land Corporation shall follow certain fundamental policies in the performance of its responsibilities.

The corporation shall make available some portion of the public lands for a homestead program. No A person shall-be is not eligible for more than one agricultural and one village homestead. No A person shall may not receive title-to a freehold interest in a homestead for five three years after the grant of a homestead or and shall-be-able-to may not transfer title-to a freehold interest in a homestead within for ten years of after receipt thereof provided, however, that these requirements shall-be are waived for persons who have established a continuous residence on USE public lands for at least 20 fifteen years as of the effective date of this Constitution. At any time after receiving the freehold interest title, the grantee may mortgage the land provided that all funds received from the mortgage be devoted to the improvement of the land. Other requirements for eligibility for the homestead program and the nature of the interest in land to be transferred by the corporation shall be as provided by law.

b) The corporation shall may not transfer title

a freehold interest in to-any public lands for a-period-of ten

years from after the effective date of this Constitution, except

with-respect-to for homesteads as provided under section 5(a).

- c) The corporation shall may not transfer any a leasehold interest in any public lands for-a-period that exceeding exceeds twenty-five (25) years including all renewal rights. An extension of not more than fifteen years may be given upon approval by the affirmative vote of three-fourths of the members of the legislature.
- d) The corporation shall may not transfer to any-person-or-legal-entity-any an interest in more than five hectares of public land for use for commercial purposes without approval by the affirmative vote of a majority of the members of the legislature.
- e) The corporation shall may not transfer any an interest in any public lands that-are located within 150 one hundred fifty feet of the high water mark of any a sandy beach. Within-the-Commonwealth.
- f) The corporation shall adopt a comprehensive land use plan with respect to the public lands including priority of uses. and-such This plan may be amended from-time-to-time as the corporation shall may provide.
- g) The corporation shall receive all moneys
 from the public lands and shall transfer these moneys promptly
 all-moneys-received-from-the-public-lands to the Marianas
 Public Land Trust provided, however, except that the corporation
 shall may retain the portion of such these moneys necessary to
 meet reasonable expenses of administration.

Section 6: Marianas Public Land Trust. There is hereby established a Marianas Public Land Trust.

- a) The Trust shall have three (3) trustees appointed and-removed by the governor with the advice and consent of the senate.
- b) The trustees shall make reasonable, careful and prudent investments. During-the-first For ten (10) years of-the-Trust after the effective date of the Constitution, no investments shall may not be made except in obligations of the United States government and as provided by section 6(c).
- c) If the legislature authorizes a Marianas development bank, and if-the-legislature provides that the all entire-amount-of United States economic assistance for economic development loans provided under article VII, section 702(c) of the Covenant shall be deposited as capital in that bank, then the Trust shall use up to fifty-five percent (55%) of its receipts in any-given a year to increase the total capital available to the bank to the sum of ten million dollars (\$10,000,000). If-in-any-year-subsequent-to-a-deposit-of funds-by-the-Trust-in-the-bank, After the bank has more than ten million dollars (\$10,000,000) in total capital, then the bank shall repay to the Trust the excess above ten million dollars (\$10,000,000) until the Trust has been made-whole fully repaid for its contribution to the bank.

- d) The trustees shall carry out the intention of article VIII, section 803(e) of the Covenant by making available using the interest and to the extent necessary, the principal of the amount received for the lease of property at Tanapag Harbor for the development and maintenance of a memorial park. The trustees shall transfer to the general revenues of the Commonwealth all the remaining interest accrued on the Trust proceeds, provided, however, except that the Trustees may retain the amount-of-the interest necessary to meet the reasonable expenses of administration of the Trust.
- e) The trustees shall prepare-and-publish make an annual written report to the people of the Commonwealth accounting for all the revenues received and expenses incurred by the Trust and describing all the investments and other transactions authorized by the trustees.
- f) The trustees shall be held to strict standards of fiduciary care.