THE WHITE HOUSE WASHINGTON

JUL 1 - 1975

Dear Mr. President: Nelson A. Kackeyeller

I am transmitting herewith a proposed Joint Resolution which would provide Congressional approval of the "Covenant to Establish A Commonwealth of the Northern Mariana Islands in Political Union with the United States of America."

On June 17, 1975, the people of the Northern Mariana Islands of the Trust Territory of the Pacific Islands overwhelmingly approved the Covenant in a United Nations-observed plebiscite. This historic act of self-determination was the capstone of more than twenty years of continuous effort on the part of the people of the Marianas District to enter into close union with the United States. This action has now cleared the way for the submission of the Covenant to the Congress of the United States for its formal consideration.

The passage by the Congress of the Joint Resolution approving the Northern Mariana Islands Commonwealth Covenant will set into motion a series of progressive steps which will result in: the administrative separation of the Northern Mariana Islands from the Government of the Trust Territory of the Pacific Islands; the adoption of a locally-drafted and popularly-approved Constitution for the Northern Mariana Islands; and finally, following the termination of the Trusteeship Agreement for all of the Trust Territory of the Pacific Islands, the conferral of Commonwealth status on the Northern Mariana Islands as a territory of the United States as provided for by the Covenant.

The Covenant Agreement I am presenting to the Congress today was signed on February 15, 1975, by the Marianas Political Status Commission for the Northern Mariana Islands and by Ambassador F. Haydn Williams for the United States. It is the result of more than two years of negotiations between the United States and a broadly representative delegation from the Northern Mariana Islands. Prior to and during the talks, the people of the Northern Mariana Islands actively participated

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in open discussions of the various aspects of the proposed relationship. Likewise, the Executive Branch consulted frequently with members of the U.S. Congress regarding the progress of the negotiations and actively sought the advice and guidance of the Congress, much of which is reflected in the final provisions of the Covenant.

Following the signing, the Covenant was submitted to the Marianas District Legislature for its review and approval. On February 20, 1975, the elected representatives of the people of the Northern Mariana Islands through the District Legislature unanimously approved the Covenant and requested the United States to arrange for an early Plebiscite. The Plebiscite was carried out in accordance with an Order issued by the Secretary of the Interior on April 10, 1975. It was conducted under the supervision of my personal representative, Mr. Erwin D. Canham, whom I appointed to serve as Plebiscite Commissioner. On June 22, 1975, Commissioner Canham certified that 78.8 percent of the people in the Marianas who voted had approved the Covenant.

The next step in the approval process is action by the U.S. Congress. The enclosed Joint Resolution, when approved, will provide the authority to begin the gradual and progressive implementation of the terms of the Covenant. This process hopefully will have been completed by 1981 when we expect the Trusteeship over all of the Trust Territory of the Pacific Islands will have been terminated following a similar act of self-determination by the other districts of the TTPI.

All of the provisions of the Covenant are the product of detailed negotiations extending over a two year period. I want to call your attention particularly to the financial assistance provisions in light of the new procedures established by the Congressional Budget Act.

Article VII of the resolution specifically constitutes a commitment and pledge of the full faith and credit of the United States for the payment, as well as for the appropriation, of guaranteed levels of direct grant assistance totalling \$14,000,000 per year, in 1975 constant dollars, to the Government of the Northern Mariana Islands for each of the first seven full fiscal years after approval by the Federal Government of the locally adopted Constitution. The same amount would be paid in future years unless changed by the Congress. A pro rata share of the \$14,000,000 is authorized to be appropriated for the first partial fiscal year after the Constitution has been approved.

Article VIII of the resolution authorizes the appropriation of \$19,520,600 to be paid to the Government of the Northern Mariana Islands for the 50 year lease, with the option of renewing the lease for another 50 years at no cost, of approximately 18,182 acres of lands and waters immediately adjacent thereto.

In addition to these specific authorizations for appropriations, Article VII authorizes the Government of the Northern Mariana Islands to receive the full range of Federal programs and services available to the territories of the United States, as well as the proceeds of numerous Federal taxes, duties and fees -- the same treatment as is presently afforded to the Territory of Guam.

I urge the Senate and the House to take early, positive action to approve the Northern Mariana Islands Commonwealth Covenant which will thereupon become law in accordance with its provisions. Favorable consideration by the Congress will represent one more important step in the fulfillment of the obligations which the United States undertook when the Congress approved by joint resolution the Trusteeship Agreement on July 18, 1947. Congressional approval of the freely expressed wish of the people of the Northern Mariana Islands will enable them to move toward their long sought goal of self-government in political union with the United States. The final realization of this desired goal will be an historic event for the people of the Northern Mariana Islands and for the United States -- an event to which I look forward with great pleasure.

Sincerely,

The Honorable Nelson A. Rockefeller

The Honorable Nelson A. Rockefeller United States Senate Washington, D. C. 20510