

104TH CONGRESS
1ST SESSION

H. R. 602

To reform the laws concerning territories and possessions.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 20, 1995

Mr. GALLEGLY introduced the following bill; which was referred to the Committee on Resources and, in addition, to the Committees on Economic and Educational Opportunities, the Judiciary, and Ways and Means for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To reform the laws concerning territories and possessions.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Omnibus Territories Act”.

6 (b) TABLE OF CONTENTS.—The table of contents for
7 this Act is as follows:

Sec. 1. Short title and table of contents.

TITLE I—TERRITORIAL ADMINISTRATIVE CESSATION ACT

Sec. 101. Short title.

Sec. 102. Congressional findings.

Sec. 103. Elimination of Office of Territorial and International Affairs.

TITLE II—AUTHORITY MODIFICATIONS PURSUANT TO COVENANT
OF NORTHERN MARIANA ISLANDS

Sec. 201. Applicability of minimum wage laws.

Sec. 202. Applicability of Fair Labor Standards Act of 1938 with respect to minimum wage.

Sec. 203. Applicability of immigration laws.

Sec. 204. Removal of authority of Northern Mariana Islands to rebate taxes.

TITLE III—INSULAR AREAS CONSOLIDATION ACT

Sec. 301. Short title.

Sec. 302. Additions to State of Hawaii.

Sec. 303. Conforming amendments.

Sec. 304. Use of islands, reef, and atolls.

Sec. 305. Additions contingent upon acceptance by State of Hawaii.

Sec. 306. Definitions.

TITLE IV—CONVEYANCE OF SUBMERGED LANDS TO NORTHERN
MARIANA ISLANDS

Sec. 401. Conveyance of submerged lands.

Sec. 402. Reserved rights.

Sec. 403. Time for exceptions from transfer.

TITLE V—GUAM WORLD WAR II LOYALTY RECOGNITION ACT

Sec. 501. Short title.

Sec. 502. Definitions.

Sec. 503. Requirements for claims and general duties of board.

Sec. 504. Eligibility.

Sec. 505. Payments.

Sec. 506. Guam World War II Loyalty Recognition Trust Fund.

Sec. 507. Guam World War II Loyalty Recognition Trust Fund Board of Directors.

Sec. 508. Notice.

Sec. 509. Reports.

Sec. 510. Limitation on agent and attorney fees.

Sec. 511. Disclaimer.

Sec. 512. Authorization of appropriations.

TITLE VI—DELEGATE FROM PUERTO RICO

Sec. 601. Redesignation of Resident Commissioner from Puerto Rico.

Sec. 602. Term of office of Delegate.

Sec. 603. Procedure to fill vacancy.

TITLE VII—CONSULTATION OF AND EFFORTS TO INCLUDE
TERRITORIES REGARDING FREE TRADE AGREEMENTS

Sec. 701. Consultation of and efforts to include territories.

Sec. 702. Tariff enactment of territories.

Sec. 703. Inclusion of territories in customs territory and free trade agreements.

1 **TITLE I—TERRITORIAL ADMINIS-**
2 **TRATIVE CESSATION ACT**

3 **SEC. 101. SHORT TITLE.**

4 This title may be cited as the “Territorial Adminis-
5 trative Cessation Act”.

6 **SEC. 102. CONGRESSIONAL FINDINGS.**

7 The Congress finds that—

8 (1) each of the 4 political subdivisions of the
9 United Nations Trust Territory of the Pacific Is-
10 lands, known as the Japanese Mandated Islands,
11 have successfully entered into distinct self-governing
12 entities, thereby culminating in the final termination
13 of the Trusteeship and the end of the trusteeship re-
14 sponsibilities of the United States as administering
15 authority of the Trust Territory on October 1, 1994;

16 (2) the United States territories have developed
17 progressively increased local self-government over
18 the past 5 decades;

19 (3) the territories predominantly deal directly
20 with Federal agencies and departments, as a State
21 would;

22 (4) the administering responsibilities of the De-
23 partment of the Interior with respect to the insular
24 areas has declined substantially during the past 5
25 decades; and

1 (5) Federal-territorial relations can be enhanced
2 and Federal fiscal conditions improved by the elimi-
3 nation of unnecessary Federal bureaucracy.

4 **SEC. 103. ELIMINATION OF OFFICE OF TERRITORIAL AND**
5 **INTERNATIONAL AFFAIRS.**

6 (a) IN GENERAL.—The Office of Territorial and
7 International Affairs of the Department of the Interior,
8 established pursuant to the Order of the Secretary of the
9 Interior 3046, of February 14, 1980, as amended, is here-
10 by abolished.

11 (b) TERMINATION OF POSITION OF ASSISTANT SEC-
12 RETARY.—Section 5315 of title 5, United States Code, is
13 amended by striking “Assistant Secretaries of the Interior
14 (6)” and inserting “Assistant Secretaries of the Interior
15 (5)”.

16 (c) EFFECTIVE DATE.—Subsection (a) and the
17 amendment made by subsection (b) shall take effect on
18 the first day of the first fiscal year that begins after the
19 date of the enactment of this Act.

1 **TITLE II—AUTHORITY MODI-**
2 **FICATIONS PURSUANT TO**
3 **COVENANT OF NORTHERN**
4 **MARIANA ISLANDS**

5 **SEC. 201. APPLICABILITY OF MINIMUM WAGE LAWS.**

6 (a) IN GENERAL.—Public Law 94–241 (48 U.S.C.
7 1681 note) is amended by adding at the end the following
8 new section:

9 “SEC. 6. Section 503 of the foregoing Covenant shall
10 be construed and applied as if it did not include paragraph
11 (c) of such section.”.

12 (b) EFFECTIVE DATE.—The amendment made by
13 this section shall be effective with respect to work per-
14 formed after the expiration of the 6-month period begin-
15 ning on the date of the enactment of this Act.

16 **SEC. 202. APPLICABILITY OF FAIR LABOR STANDARDS ACT**
17 **OF 1938 WITH RESPECT TO MINIMUM WAGE.**

18 (a) SECTION 5.—Section 5 of the Fair Labor Stand-
19 ards Act of 1938 (29 U.S.C. 205) is amended—

20 (1) in the title, by inserting “AND NORTHERN
21 MARIANA ISLANDS” after “AMERICAN SAMOA”,

22 (2) in subsection (a), in the first sentence, by
23 inserting “and in the Northern Mariana Islands”
24 after “American Samoa”, and

1 “(3) in subsection (a), in the second sentence,
2 by inserting “or the Northern Mariana Islands, as
3 the case may be,” after “American Samoa” each
4 place it appears.

5 (b) SECTION 6.—Section 6(a)(3) of the Fair Labor
6 Standard Act of 1938 (29 U.S.C. 206(a)(3)) is amended
7 by inserting “or in the Northern Mariana Islands” after
8 “American Samoa”.

9 (c) SECTION 8.—Section 8 of the Fair Labor Stand-
10 ards Act of 1938 (29 U.S.C. 208) is amended—

11 (1) in the title, by inserting “AND NORTHERN
12 MARIANA ISLANDS” AFTER “AMERICAN SAMOA”,

13 (2) in subsection (a), by inserting “and in the
14 Northern Mariana Islands” after “American
15 Samoa” each place it occurs, and

16 (3) in subsection (b), by inserting “or in the
17 Northern Mariana Islands” after “in American
18 Samoa” and by inserting “or the Northern Mariana
19 Islands” after “of American Samoa”.

20 **SEC. 203. APPLICABILITY OF IMMIGRATION LAWS.**

21 (a) IN GENERAL.—Public Law 94–241 (48 U.S.C.
22 1681 note) is amended by adding at the end the following
23 new section:

1 “SEC. 7. Section 506(a) of the foregoing Covenant
2 shall be construed and applied as if it included at the end
3 the following subsection:

4 “(e)(1) For purposes of entry into the Northern
5 Mariana Islands by any individual (but not for purposes
6 of entry by an individual into the United States from the
7 Northern Mariana Islands), the Immigration and Nation-
8 ality Act shall apply as if the Northern Mariana Islands
9 were a State. The Attorney General, acting through the
10 Commissioner of Immigration and Naturalization, shall
11 enforce the preceding sentence.

12 “(2)(A) Notwithstanding paragraph (1), with re-
13 spect to an individual seeking entry into the Northern
14 Mariana Islands for purposes of employment in the textile,
15 hotel, tourist, or construction industry (including employ-
16 ment as a contractor), the Federal statutes and regula-
17 tions governing admission to Guam of individuals de-
18 scribed in section 101(a)(15)(H)(ii)(B) of the Immigra-
19 tion and Nationality Act shall apply. Such statutes and
20 regulations shall be so applied by substituting the term
21 ‘the Northern Mariana Islands’ for the term ‘Guam’ each
22 place it appears, and by substituting the term ‘United
23 States citizen, national, or resident workers’ for the term
24 ‘United States resident workers’.

1 “(B) Notwithstanding any other provision of this
2 section, the Attorney General shall not admit into the
3 Northern Mariana Islands, in any calendar year, a greater
4 number of individuals for purposes of employment in each
5 of the textile, hotel, tourist, and construction industries
6 (including employment as a contractor) than the immi-
7 grant workers limit for such industry. For purposes of the
8 preceding sentence, the term ‘immigrant workers limit’
9 means, with respect to any industry, the number of indi-
10 viduals admitted into the Northern Mariana Islands in cal-
11 endar year 1992 for purposes of employment in such in-
12 dustry. The Attorney General, acting through the Com-
13 missioner of Immigration and Naturalization, may in-
14 crease, for any calendar year, the immigrant workers limit
15 or any industry (as determined under the preceding sen-
16 tence) by the same percentage as the percentage, if any,
17 by which the population of the Northern Mariana Islands
18 in such calendar year exceeds the population of the North-
19 ern Mariana Islands in the calendar year 1992.’”.

20 (b) EFFECTIVE DATE.—The amendments made by
21 this section shall apply to individuals entering the North-
22 ern Mariana Islands after the expiration of the 6-month
23 period beginning with the date of the enactment of this
24 Act.

1 **SEC. 204. REMOVAL OF AUTHORITY OF NORTHERN MARI-**
2 **ANA ISLANDS TO REBATE TAXES.**

3 Public Law 94-241 (48 U.S.C. 1681 note) is amend-
4 ed by adding at the end the following new section:

5 “SEC. 8. Section 602 of the foregoing Covenant shall
6 be construed and applied as if it read as follows:

7 ““SEC. 602. The Government of the Northern Mari-
8 ana Islands may by local law impose such taxes, in addi-
9 tion to those imposed under Section 601, as it deems ap-
10 propriate.’”.

11 **TITLE III—INSULAR AREAS**
12 **CONSOLIDATION ACT**

13 **SEC. 301. SHORT TITLE.**

14 This title may be cited as the “Insular Areas Consoli-
15 dation Act of 1995”.

16 **SEC. 302. ADDITIONS TO STATE OF HAWAII.**

17 (a) IN GENERAL.—The State of Hawaii shall include
18 Baker Island, Jarvis Island, Johnston Atoll, Kingman
19 Reef, Howland Island, the Midway Islands, and Palmyra
20 Atoll.

21 (b) JURISDICTION.—The islands specified in sub-
22 section (a) shall be subject to the jurisdiction of the State
23 of Hawaii to the same extent as and in the same manner
24 that such jurisdiction applies to all other areas within the
25 State of Hawaii.

1 (c) RIGHTS OF UNITED STATES.—The inclusion of
2 islands, appurtenant reefs, and territorial waters in the
3 State of Hawaii by this section shall be subject to existing
4 rights of use, ownership, management, and operation by
5 the Government of the United States.

6 **SEC. 303. CONFORMING AMENDMENTS.**

7 (a) HAWAII STATEHOOD ACT.—Section 2 of the Act
8 of March 18, 1959 (Public Law 86-3; 73 Stat. 4; 48
9 U.S.C. Chap. 3 note), is amended by striking all that fol-
10 lows “enactment of this Act” and inserting a period.

11 (b) EXEMPTION FROM PROVISIONS RELATING TO
12 THE GUANO ISLANDS.—Title LXXII of the Revised Stat-
13 utes (48 U.S.C. 1411 et seq.) shall not apply to the is-
14 lands, reef, and atolls specified in section 302(a).

15 **SEC. 304. USE OF ISLANDS, REEF, AND ATOLLS.**

16 No provision of this title shall be construed as con-
17 gressional approval, suggestion, or intent to alter, change,
18 affect, or reduce the current use of any of this islands,
19 reef, or atolls specified in section 302(a).

20 **SEC. 305. ADDITIONS CONTINGENT UPON ACCEPTANCE BY**
21 **STATE OF HAWAII.**

22 (a) ACCEPTANCE BY STATE OF HAWAII.—Sections
23 302 and 303 shall not take effect unless the Governor of
24 the State of Hawaii certifies to the President that the

1 State of Hawaii accepts all of the islands, reef, and atolls
2 referred to in section 302(a).

3 (b) PROCLAMATION BY PRESIDENT.—Not later than
4 30 days after receiving the certification described in sub-
5 section (a), the President shall issue a proclamation of the
6 new geographical jurisdiction of the State of Hawaii.

7 (c) EFFECTIVE DATE.—Sections 302 and 303 shall
8 take effect upon the issuance of the proclamation de-
9 scribed in subsection (b).

10 **SEC. 306. DEFINITIONS.**

11 For purposes of this title:

12 (1) BAKER ISLAND.—The term “Baker Island”
13 means all of the islands and appurtenant reefs at
14 the parallel of 0 degrees, 11 to 13 minutes, of lati-
15 tude north of the Equator and at the meridian of
16 176 degrees, 27 to 30 minutes, of longitude west of
17 Greenwich, England, and the territorial waters of
18 such islands and reefs.

19 (2) HOWLAND ISLAND.—The term “Howland
20 Island” means all of the islands and appurtenant
21 reefs at the parallel of 0 degrees, 46 to 50 minutes,
22 of latitude north of the Equator and at the meridian
23 of 176 degrees, 37 to 39 minutes, of longitude west
24 of Greenwich, England, and the territorial waters of
25 such islands and reefs.

1 (3) JARVIS ISLAND.—The term “Jarvis Island”
2 means all of the islands and appurtenant reefs at
3 the parallel of 0 degrees, 22 to 24 minutes, of lati-
4 tude south of the Equator and at the meridian of
5 160 degrees, 0 to 3 minutes, of longitude west of
6 Greenwich, England, and the territorial waters of
7 such islands and reefs.

8 (4) JOHNSTON ATOLL.—The term “Johnston
9 Atoll” means all of the islands and appurtenant
10 reefs at the parallel of 16 degrees, 40 to 48 minutes,
11 of latitude north of the Equator and at the meridian
12 of 169 degrees, 24 to 36 minutes, of longitude west
13 of Greenwich, England, and the territorial waters of
14 such islands and reefs.

15 (5) KINGMAN REEF.—The term “Kingman
16 Reef” means all of the territory and appurtenant
17 reefs at the parallel of 6 degrees, 22 to 27 minutes,
18 of latitude north of the Equator and at the meridian
19 of 162 degrees, 22 to 25 minutes, of longitude west
20 of Greenwich, England, and the territorial waters of
21 such islands and reefs.

22 (6) MIDWAY ISLANDS.—The term “Midway Is-
23 lands” means all of the islands and appurtenant
24 reefs at the parallel of 28 degrees, 10 to 18 minutes,
25 of latitude north of the Equator and at the meridian

1 of 177 degrees, 16 to 28 minutes, of longitude west
2 of Greenwich, England, and the territorial waters of
3 such islands and reefs.

4 (7) PALMYRA ATOLL.—The term “Palmyra
5 Atoll” means all of the islands and appurtenant
6 reefs at the parallel of 5 degrees, 51 to 54 minutes,
7 of latitude north of the Equator and at the meridian
8 of 162 degrees, 0 to 11 minutes, of longitude west
9 of Greenwich, England, and the territorial waters of
10 such islands and reefs.

11 **TITLE IV—CONVEYANCE OF SUB-**
12 **MERGED LANDS TO NORTH-**
13 **ERN MARIANA ISLANDS**

14 **SEC. 401. CONVEYANCE OF SUBMERGED LANDS.**

15 The first section of Public Law 93–435 (88 Stat.
16 1210; 48 U.S.C. 1705) is amended—

17 (1) in subsection (a), by striking “Guam, the
18 Virgin Islands, and American Samoa” each place it
19 appears and inserting “Guam, the Virgin Islands,
20 American Samoa, and the Northern Mariana Is-
21 lands”; and

22 (2) in subsection (b), by striking “Guam, the
23 Virgin Islands, or American Samoa” each place it
24 appears and inserting “Guam, the Virgin Islands,

1 American Samoa, or the Northern Mariana Is-
2 lands”.

3 **SEC. 402. RESERVED RIGHTS.**

4 Section 2 of Public Law 93–435 (88 Stat. 1211; 48
5 U.S.C. 1706) is amended—

6 (1) in subsection (a), by striking “Guam, Amer-
7 ican Samoa, and the Virgin Islands” and inserting
8 “Guam, American Samoa, the Virgin Islands, and
9 the Northern Mariana Islands”; and

10 (2) in subsection (b), by striking “Guam, the
11 Virgin Islands, or American Samoa” and inserting
12 “Guam, the Virgin Islands, American Samoa, or the
13 Northern Mariana Islands”.

14 **SEC. 403. TIME FOR EXCEPTIONS FROM TRANSFER.**

15 Subsection (b)(vii) of the first section of Public Law
16 93–435 (88 Stat. 1210; 48 U.S.C. 1705) is amended by
17 striking the semicolon and inserting “or, in the case of
18 a transfer to the Northern Mariana Islands, within one
19 hundred and twenty days after the date of enactment of
20 the Omnibus Territories Act;”.

21 **TITLE V—GUAM WORLD WAR II**
22 **LOYALTY RECOGNITION ACT**

23 **SEC. 501. SHORT TITLE.**

24 This title may be cited as the “Guam World War II
25 Loyalty Recognition Act”.

1 **SEC. 502. DEFINITIONS.**

2 For the purposes of this Act:

3 (1) AWARD.—The term “award” means the
4 amount of compensation payable under section
5 505(b).

6 (2) BENEFIT.—The term “benefit” means the
7 amount of compensation payable under section
8 505(c).

9 (3) BOARD.—The term “Board” means the
10 Guam World War II Loyalty Recognition Trust
11 Fund Board of Directors established by section 507.

12 (4) COMPENSABLE INJURY.—The term “com-
13 pensable injury” means any of the following 3 cat-
14 egories of injury incurred during, or as a result of,
15 World War II:

16 (A) Death.

17 (B) Personal injury (as defined by the
18 Board).

19 (C) Forced labor, forced march, or intern-
20 ment.

21 (5) GUAMANIAN.—The term “Guamanian”
22 means any person who—

23 (A) resided in the territory of Guam at any
24 time during the period beginning on December
25 8, 1941, and ending on September 2, 1945;

1 (B) was a United States citizen or national
2 during such period; and

3 (C) did not meet the 1-year time limitation
4 for the filing of death or personal injury claims
5 specified in the first section of the Act of No-
6 vember 15, 1945 (Chapter 483; 59 Stat. 582),
7 or suffered injuries not compensable under such
8 Act.

9 (6) TRUST FUND.—The term “Trust Fund”
10 means the Guam World War II Loyalty Recognition
11 Trust Fund established by section 506(a).

12 **SEC. 503. REQUIREMENTS FOR CLAIMS AND GENERAL DU-**
13 **TIES OF BOARD.**

14 (a) REQUIRED INFORMATION FOR CLAIMS.—Each
15 claim for an award or benefit under this Act shall be made
16 under oath and shall include—

- 17 (1) the name and age of the claimant;
- 18 (2) the village in which the claimant, or the in-
19 dividual who suffered the compensable injury that is
20 the basis for the claim, as the case may be, resided
21 at the time the compensable injury occurred;
- 22 (3) the approximate date or dates on which the
23 compensable injury that is the basis for the claim
24 occurred;

1 (4) a brief description of the compensable in-
2 jury;

3 (5) the circumstances leading to the compen-
4 sable injury; and

5 (6) in the case of a claim for a benefit, proof
6 of the relationship of the claimant to the relevant
7 decedent.

8 (b) GENERAL DUTIES OF BOARD TO PROCESS
9 CLAIMS.—With respect to each claim filed under this Act,
10 the Board shall determine whether the claimant is eligible
11 for an award or benefit under this Act and, if so, shall
12 certify the claim for payment in accordance with section
13 505(a).

14 (c) TIME LIMITATION.—With respect to each claim
15 submitted under this Act, the Board shall act expedi-
16 tiously, but in no event later than 1 year after the receipt
17 of the claim by the Board, to fulfill the requirements of
18 subsection (b) regarding the claim.

19 **SEC. 504. ELIGIBILITY.**

20 (a) ELIGIBILITY FOR AWARDS.—To be eligible for an
21 award under this Act, a claimant shall meet each of the
22 following criteria:

23 (1) The claimant is a living Guamanian who
24 personally received the compensable injury that is
25 the basis for the claim.

1 (2) The claimant files a claim with the Board
2 regarding a compensable injury and containing all
3 the information required by section 503(a).

4 (3) The claimant is able to furnish proof of the
5 compensable injury or is able to produce affidavits
6 by 2 witnesses to the compensable injury.

7 (4) By such procedures as the Board may pre-
8 scribe, the claimant files a claim under this Act
9 within 1 year after the date of the appointment of
10 the ninth member of the Board.

11 (b) ELIGIBILITY FOR BENEFITS.—

12 (1) IN GENERAL.—Except as provided in para-
13 graph (2), to be eligible for a benefit under this Act,
14 a claimant shall meet each of the following criteria:

15 (A) The claimant is a living Guamanian
16 who is an heir or next of kin of a decedent Gua-
17 manian who personally received the compen-
18 sable injury that is the basis for the claim.

19 (B) The Claimant files a claim with the
20 Board regarding the compensable injury and
21 containing all the information required by sec-
22 tion 503(a).

23 (C) The claimant is able to furnish proof
24 of the compensable injury or is able to produce

1 affidavits by 2 witnesses to the compensable in-
2 jury.

3 (D) By such procedures as the Board may
4 prescribe, the claimant files a claim under this
5 Act within 1 year after the date of the appoint-
6 ment of the ninth member of the Board.

7 (2) INDIVIDUALS PROVING CONSANGUINITY
8 WITH OTHER CLAIMANTS.—Except as provided in
9 section 505(e), each individual who proves con-
10 sanguinity with a claimant who has met each of the
11 criteria specified in paragraph (1) shall be eligible to
12 receive an equal share of the benefit accruing, under
13 this Act, to such claimant if the individual files a
14 claim with the Board by such procedures as the
15 Board may prescribe.

16 (c) LIMITATION ON ELIGIBILITY FOR AWARDS AND
17 BENEFITS.—

18 (1) AWARDS.—(A) No claimant may receive
19 more than 1 award under this Act.

20 (B) Each award shall consist of only 1 of the
21 amounts referred to in section 505(b).

22 (2) BENEFITS.—(A) Not more than 1 benefit
23 may be paid under this Act with respect to each de-
24 cedent described in subsection (b)(1)(A).

1 (B) Each benefit shall consist of only 1 of the
2 amounts referred to in section 505(c).

3 **SEC. 505. PAYMENTS.**

4 (a) CERTIFICATION.—The Board shall certify for
5 payment all awards and benefits that the Board deter-
6 mines are payable under this Act.

7 (b) AWARDS.—The Board shall pay from the Trust
8 Fund 1 of the following amounts as an award to each
9 claimant eligible under section 504(a):

10 (1) \$7,000 if the relevant claim is based on per-
11 sonal injury.

12 (2) \$5,000 if the relevant claim is based on
13 forced labor, forced march, or internment and is not
14 based on personal injury.

15 (c) BENEFITS.—The Board shall pay from the Trust
16 Fund 1 of the following amounts as a benefit to each
17 claimant eligible under section 504(b):

18 (1) \$20,000 if the relevant claim is based on
19 death.

20 (2) \$7,000 if the relevant claim is based on per-
21 sonal injury and is not based on death.

22 (3) \$5,000 if the relevant claim is based on
23 forced labor, forced march, or internment and is not
24 based on death or personal injury.

1 (d) REFUSAL TO ACCEPT PAYMENT.—If a claimant
2 refuses to accept a payment made or offered under sub-
3 section (b) or (c) with respect to a claim filed under this
4 Act—

5 (1) the amount of the refused payment, if with-
6 drawn from the Trust Fund for purposes of making
7 the payment, shall be returned to the Trust Fund;
8 and

9 (2) no payment may be made under this Act to
10 such claimant at any future date with respect to the
11 claim.

12 (e) PAYMENTS ON CLAIMS FOR THE SAME DEATH.—
13 If the relevant compensable injury regarding a claim is
14 death, payment of a benefit under this Act with respect
15 to the claim shall be divided among the heirs or next of
16 kin claiming such payment with respect to the death, as
17 provided in the probate laws of Guam.

18 (f) ORDER OF PAYMENTS.—The Board shall endeavor
19 or to make payments under this Act with respect to
20 awards before making such payments with respect to bene-
21 fits and, when making payments with respect to awards
22 or benefits, respectively, to make payments to eligible indi-
23 viduals in the order of date of birth (the oldest individual
24 on the date of the enactment of this Act, or, if applicable,

1 the survivors of that individual, receiving payment first),
2 until all eligible individuals have received payment in full.

3 **SEC. 506. GUAM WORLD WAR II LOYALTY RECOGNITION**
4 **TRUST FUND.**

5 (a) ESTABLISHMENT.—There is established in the
6 Treasury of the United States the Guam World War II
7 Loyalty Recognition Trust Fund, which shall be adminis-
8 tered by the Secretary of the Treasury.

9 (b) INVESTMENTS.—Amounts in the Trust Fund
10 shall be invested in accordance with section 9702 of title
11 31, United States Code.

12 (c) USES.—Amounts in the Trust Fund shall be
13 available only for disbursement by the Board in accord-
14 ance with section 507.

15 (d) DISPOSITION OF FUNDS UPON TERMINATION.—
16 If all of the amounts in the Trust Fund have not been
17 obligated or expended by the date of the termination of
18 the Board, investments of amounts in the Trust Fund
19 shall be liquidated, the receipts of such liquidation shall
20 be deposited in the Trust Fund, and any unobligated
21 funds remaining in the Trust Fund shall be given to the
22 University of Guam, with the conditions that—

23 (1) the funds are invested as described in sub-
24 section (b):

1 (2) the funds are used for scholarships, to be
2 known as Guam World War II Loyalty Scholarships,
3 for claimants described in subsection (a) or (b) (or
4 both) of section 504, or for such scholarships for the
5 descendants of such claimants; and

6 (3) as the University determines appropriate,
7 the University shall endeavor to award the scholar-
8 ships referred to in paragraph (2) in a manner that
9 permits the award of the largest possible number of
10 scholarships over the longest possible period of time.

11 **SEC. 507. GUAM WORLD WAR II LOYALTY RECOGNITION**

12 **TRUST FUND BOARD OF DIRECTORS.**

13 (a) ESTABLISHMENT.—There is established the
14 Guam World War II Loyalty Recognition Trust Fund
15 Board of Directors, which shall be responsible for making
16 disbursements from the Guam World War II Loyalty Rec-
17 ognition Trust Fund in the manner provided in this sec-
18 tion.

19 (b) USE OF GUAM WORLD WAR II LOYALTY REC-
20 OGNITION TRUST FUND.—The Board may make disburse-
21 ments from the Guam Recognition Trust Fund only for
22 the following uses:

23 (1) To make payments, under section 505, of
24 awards and benefits to eligible claimants, in the
25 amounts specified by such section.

1 (2) To sponsor research and public educational
2 activities so that the events surrounding the wartime
3 experiences and losses of the Guamanian people will
4 be remembered, and so that the causes and cir-
5 cumstances of this event and similar events may be
6 illuminated and understood.

7 (3) To disburse available funds as benefits to
8 eligible claimants, through a revolving fund, for such
9 purposes as post-secondary scholarships, first-time
10 home ownership loans, and any other purpose that
11 the Board determines to be appropriate.

12 (4) To pay reasonable administrative expenses
13 of the Board, including expenses incurred under sub-
14 sections (c)(3), (d), and (e).

15 (c) MEMBERSHIP.—

16 (1) NUMBER AND APPOINTMENT.—The Board
17 shall be composed of 9 members who are not officers
18 or employees of the United States Government and
19 who are appointed by the President from rec-
20 ommendations made by the Governor of Guam.

21 (2) TERMS.—(A) Initial members of the Board
22 shall be appointed for initial terms of 3 years, and
23 subsequent terms shall be of a length determined
24 pursuant to paragraph (6)(B).

1 (B) Any member of the Board who is appointed
2 to fill a vacancy occurring before the expiration of
3 the term for which such member's predecessor was
4 appointed shall be appointed only for the remainder
5 of such term.

6 (3) PROHIBITION OF COMPENSATION OTHER
7 THAN EXPENSES.—Members of the Board shall
8 serve without pay as such, except that members of
9 the Board shall be entitled to reimbursement for
10 travel, subsistence, and other necessary expenses in-
11 curred by them in carrying out the functions of the
12 Board in the same manner that persons employed
13 intermittently in the United States Government are
14 allowed expenses under section 5703 of title 5, Unit-
15 ed States Code.

16 (4) QUORUM.—5 members of the Board shall
17 constitute a quorum but a lesser number may hold
18 hearings.

19 (5) CHAIRPERSON.—The Chair of the Board
20 shall be elected by the members of the Board.

21 (6) SUBSEQUENT APPOINTMENTS.—(A) Upon
22 the expiration of the term of each member of the
23 Board, the President shall reappoint the member (or
24 appoint another individual to replace the member) if
25 the President determines, after consideration of the

1 reports submitted to the President by the Board
2 under this title, that there are sufficient funds in the
3 Trust Fund for the present and future administra-
4 tive costs of the Board and for the payment of fur-
5 ther awards and benefits for which claims have been
6 or may be filed under this title.

7 (B) Members appointed under paragraph (A)
8 shall be appointed for a term of a length that the
9 President determines to be appropriate, but the
10 length of such term shall not exceed 3 years.

11 (d) STAFF AND SERVICES.—

12 (1) DIRECTOR.—The Board shall have a Direc-
13 tor who shall be appointed by the Board.

14 (2) ADDITIONAL STAFF.—The Board may ap-
15 point and fix the pay of such additional staff as it
16 may require.

17 (3) INAPPLICABILITY OF CERTAIN PROVISIONS
18 OF TITLE 5, UNITED STATES CODE.—The Director
19 and the additional staff of the Board may be ap-
20 pointed without regard to section 5311 of title 5,
21 United States Code, and without regard to the pro-
22 visions of such title governing appointments in the
23 competitive service, and may be paid without regard
24 to the provisions of chapter 51 and subchapter III
25 of chapter 53 of such title relating to classification

1 and General Schedule pay rates, except that the
2 compensation of any employee of the Board may not
3 exceed a rate equivalent to the minimum rate of
4 basic pay payable for GS-15 of the General Sched-
5 ule under section 5332(a) of such title.

6 (4) ADMINISTRATIVE SUPPORT SERVICES.—The
7 Administrator of General Services shall provide to
8 the Board, on a reimbursable basis, such administra-
9 tive support services as the Board may request.

10 (e) GIFTS AND DONATIONS.—The Board may accept,
11 use, and dispose of gifts or donations of funds, services,
12 or property for uses referred to in subsection (b). The
13 Board may deposit such gifts or donations, or the proceeds
14 from such gifts or donations, into the Trust Fund.

15 **SEC. 508. NOTICE.**

16 Not later than 90 days after the appointment of the
17 ninth member of the Board, the Board shall give public
18 notice in the territory of Guam and such other places as
19 the Board deems appropriate of the time when, and the
20 time limitation within which, claims may be filed under
21 this title. The Board shall ensure that the provisions of
22 this title are widely published in the territory of Guam
23 and such other places as the Board deems appropriate,
24 and the Board shall make every effort both to advise
25 promptly all individuals who may be entitled to file claims

1 under the provisions of this title and to assist such individ-
2 uals in the preparation and filing of their claims.

3 **SEC. 509. REPORTS.**

4 (a) COMPENSATION AND CLAIMS.—Not later than 12
5 months after the formation of the Board, and each year
6 thereafter, the Board shall submit to the Congress, the
7 President, and the Governor of Guam a report containing
8 a determination of the specific amount of compensation
9 necessary to fully carry out this title, the expected amount
10 of receipts to the Trust Fund, and all payments made by
11 the Board under this title. The report shall also include—

12 (1) a list of all claims, categorized by compen-
13 sable injury, which were determined to be eligible for
14 an award or payment under this title, and a list of
15 claims, categorized by compensable injury, which
16 were certified for payment under this title; and

17 (2) a list of all claims, categorized by compen-
18 sable injury, which were determined not to be eligi-
19 ble for an award or benefit under this title, and a
20 brief explanation of the reason therefore.

21 (b) ANNUAL OPERATIONS AND STATUS OF FUND.—
22 Beginning with the first full fiscal year ending after sub-
23 mission of the first report required by subsection (a), and
24 annually thereafter with respect to each fiscal year in
25 which the Board is in existence, the Board shall submit

1 a report to the Congress, the President, and the Governor
2 of Guam concerning the operations of the Board under
3 this title and the status of the Trust Fund. Such report
4 shall be submitted not later than January 15th of each
5 applicable year.

6 (c) FINAL AWARD REPORT.—Once all awards have
7 been paid to eligible claimants, the Board shall submit a
8 report to the Congress, the President, and the Governor
9 of Guam certifying—

10 (1) the total amount of compensation paid as
11 awards under this title, broken down by category of
12 compensable injury; and

13 (2) the status of the Trust Fund and the
14 amount of any existing balance thereof.

15 (d) FINAL BENEFITS REPORT.—Once all benefits
16 have been paid to eligible claimants, the Board shall sub-
17 mit a report to the Congress, the President, and the Gov-
18 ernor of Guam certifying—

19 (1) the total amount of compensation paid as
20 benefits under this title, broken down by category of
21 compensable injury; and

22 (2) the final status of the Trust Fund and the
23 amount of any existing balance thereof.

1 **SEC. 510. LIMITATION ON AGENT AND ATTORNEY FEES.**

2 Any remuneration on account of services rendered on
3 behalf of any claimant, or any association of claimants,
4 in connection with any claim or claims under this title may
5 not exceed 5 percent of the amount paid on such claim
6 or claims under this title. Any agreement to the contrary
7 shall be unlawful and void. Whoever, in the United States
8 or elsewhere, demands or receives, on account of services
9 so rendered, any remuneration in excess of the maximum
10 permitted by this section shall be guilty of a misdemeanor
11 and, upon conviction thereof, shall be fined in accordance
12 with title 18, United States Code, imprisoned not more
13 than 12 months, or both.

14 **SEC. 511. DISCLAIMER.**

15 No provision of this title shall constitute an obligation
16 of the United States to pay any claim arising out of war.
17 The compensation provided under this title is ex gratia
18 in nature and intended solely as a means of recognizing
19 the demonstrated loyalty of the people of Guam to the
20 United States, and the suffering and deprivation arising
21 therefrom, during World War II.

22 **SEC. 512. AUTHORIZATION OF APPROPRIATIONS.**

23 There are authorized to be appropriated such sums
24 as may be necessary to carry out the administrative re-
25 sponsibilities of the Board for the 36-month period begin-

1 ning on the date of the appointment of the ninth member
2 of the Board.

3 **TITLE VI—DELEGATE FROM**
4 **PUERTO RICO**

5 **SEC. 601. REDESIGNATION OF RESIDENT COMMISSIONER**
6 **FROM PUERTO RICO.**

7 (a) IN GENERAL.—Section 36 of the Act of March
8 2, 1917 (39 Stat. 963; 48 U.S.C. 891–893) is amended—

9 (1) by striking “Resident Commissioner” each
10 place it appears and inserting “Delegate”; and

11 (2) by striking “Commissioner” each place it
12 appears and inserting “Delegate”.

13 (b) CONFORMING REFERENCE.—All references in
14 other laws to the Resident Commissioner to the United
15 States from Puerto Rico shall be considered to refer to
16 the Delegate to the United States from Puerto Rico.

17 **SEC. 602. TERM OF OFFICE OF DELEGATE.**

18 (a) TWO-YEAR TERM OF OFFICE.—Section 36 of the
19 Act of March 2, 1917 (39 Stat. 963; 48 U.S.C. 891) is
20 amended in the second sentence by striking “four” and
21 inserting “two”.

22 (b) EXCEPTION.—The amendment made by this sec-
23 tion shall not apply to any individual who holds the office
24 of Resident Commissioner to the United States from Puer-

1 to Rico on the day before the date of the enactment of
2 this Act.

3 **SEC. 603. PROCEDURE TO FILL VACANCY.**

4 Section 36 of the Act of March 2, 1917 (39 Stat.
5 963; 48 U.S.C. 891) is amended in the last sentence by
6 striking “the governor” and all that follows and inserting
7 “the office shall remain vacant until a successor is elected
8 and qualified. The successor may be elected in a special
9 election under such regulations as may be prescribed by
10 law, in which case the successor shall serve until the next
11 general election and until the next Delegate is elected and
12 qualified.”.

13 **TITLE VII—CONSULTATION OF**
14 **AND EFFORTS TO INCLUDE**
15 **TERRITORIES REGARDING**
16 **FREE TRADE AGREEMENTS**

17 **SEC. 701. CONSULTATION OF AND EFFORTS TO INCLUDE**
18 **TERRITORIES.**

19 (a) TERRITORIES IN THE CARIBBEAN.—

20 (1) CONSULTATION.—The President shall con-
21 sult with representatives chosen by the territorial
22 governors of Puerto Rico and the Virgin Islands re-
23 garding any aspect of the process advanced by the
24 Miami Summit of the Americas Declaration of Prin-
25 ciples, on December 9, 1994, that would have an im-

1 pact on Puerto Rico or the Virgin Islands, respec-
2 tively, including the development of the agreement
3 regarding “Free Trade of the Americas”.

4 (2) EFFORTS TO INCLUDE IN PROCESS RE-
5 GARDING FREE TRADE AGREEMENTS.—The Presi-
6 dent shall make every reasonable effort, as the
7 President determines to be appropriate, to include
8 representatives chosen by the territorial governors of
9 Puerto Rico and the Virgin Islands in the United
10 States delegation to any working group or task force
11 regarding any aspect of the process advanced by the
12 Miami Summit of the Americas Declaration of Prin-
13 ciples, on December 9, 1994, that would have an im-
14 pact on Puerto Rico or the Virgin Islands, respec-
15 tively, including the development of the agreement
16 regarding “Free Trade of the Americas”.

17 (b) TERRITORIES IN THE PACIFIC.—

18 (1) CONSULTATION.—The President shall con-
19 sult with representatives chosen by the territorial
20 governors of American Samoa, Guam, and the
21 Northern Mariana Islands regarding any aspect of
22 the process advanced by the Bogor Asia-Pacific Eco-
23 nomic Cooperation Leaders’ Declaration of Common
24 Resolve, on November 15, 1994, that would have an
25 impact on American Samoa, Guam, or the Northern

1 Mariana Islands, respectively, including the goal of
2 free trade among APEC members by the year 2020.

3 (2) EFFORTS TO INCLUDE IN PROCESS RE-
4 GARDING FREE TRADE AGREEMENTS.—The Presi-
5 dent shall make every reasonable effort, as the
6 President determines to be appropriate, to include
7 representatives chosen by the territorial governors of
8 American Samoa, Guam, and the Northern Mariana
9 Islands in the United States delegation to any work-
10 ing group or task force regarding any aspect of the
11 process advanced by the Bogor Asia-Pacific Eco-
12 nomic Cooperation Leaders' Declaration of Common
13 Resolve, on November 15, 1994, that would have an
14 impact on American Samoa, Guam, or the Northern
15 Mariana Islands, respectively, including the goal of
16 free trade among APEC members by the year 2020.

17 **SEC. 702. TARIFF TREATMENT OF TERRITORIES.**

18 (a) TARIFF TREATMENT COMPARABLE TO TREAT-
19 MENT OF TREATY COUNTRIES.—Subject to subsection (b),
20 the President shall give to American Samoa, Guam, the
21 Northern Mariana Islands, and the Virgin Islands no less
22 favorable tariff treatment than that accorded to countries
23 who are party to the North American Free Trade Agree-
24 ment or to other free trade agreements to which the
25 United States becomes a party.

1 (b) TARIFF STAGING AGREEMENT BETWEEN TERRI-
2 TORY AND UNITED STATES.—

3 (1) IN GENERAL.—Subsection (a) shall apply to
4 American Samoa, Guam, the Northern Mariana Is-
5 lands, or the Virgin Islands only if the government
6 of American Samoa, Guam, the Northern Mariana
7 Islands, or the Virgin Islands, as the case may be
8 reaches a tariff staging agreement with the Presi-
9 dent. Such agreement shall provide that tariffs be-
10 tween American Samoa, Guam, the Northern Mari-
11 ana Islands, or the Virgin Islands, as the case may
12 be, and the United States shall be phased out in
13 equal annual increments over a period of not more
14 than 10 years, beginning on the date of the comple-
15 tion of the agreement.

16 (2) CONSULTATION REGARDING AGREEMENT.—
17 Upon the request of the government of American
18 Samoa, Guam, the Northern Mariana Islands, or the
19 Virgin Islands, the President shall consult with the
20 representative chosen by the governor of such terri-
21 tory regarding the development of a tariff staging
22 agreement described in paragraph (1).

1 **SEC. 703. INCLUSION OF TERRITORIES IN CUSTOMS TERRI-**
2 **TORY AND FREE TRADE AGREEMENTS.**

3 Upon completion of a tariff staging agreement, as de-
4 scribed in section 702(b)(1), between the United States
5 and American Samoa, Guam, the Northern Mariana Is-
6 lands, or the Virgin Islands and upon the phasing out of
7 tariffs as provided for in the agreement—

8 (1) American Samoa, Guam, the Northern Mar-
9 iana Islands, or the Virgin Islands, as the case may
10 be, shall be included in the customs territory of the
11 United States; and

12 (2) the President shall take all steps that the
13 President determines to be necessary to include
14 American Samoa, Guam, the Northern Mariana Is-
15 lands, or the Virgin Islands, as the case may be, in
16 the North American Free Trade Agreement and all
17 other free trade agreements to which the United
18 States is a party.

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