96TH CONGRESS } HOUSE OF REPRESENTATIVES { REPORT
1st Session } { No. 96-120

AUTHORIZING APPROPRIATIONS FOR CERTAIN INSULAR AREAS OF THE UNITED STATES, AND FOR OTHER PURPOSES

MAY 4, 1979.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. UDALL, from the Committee on Interior and Insular Affairs, submitted the following

REPORT

[To accompany H.R. 3756]

The Committee on Interior and Insular Affairs, to whom was referred the bill (H.R. 3756) To authorize appropriations for certain insular areas of the United States, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendments are as follows:

Page 2, lines 11 through 16, strike the present text and insert in lieu thereof the following:

> SEC. 103. The act entitled "An Act to authorize certain appropriations for the territories of the United States, to amend certain Acts relating thereto, and for other purposes" (91 Stat. 1159; Public Law 95-134) is amended—
>
> (1) in subsection 104 (a), by striking out paragraph (4) and redesignating paragraph (5) as paragraph (4); and
>
> (2) by inserting after section 105, the following new new section:

Page 2, line 23, after "provide" insert "for the people of the Atolls of Bikini, Enewetak, Rongelap, and Utirik and for their descendants".

Page 3, lines 2 and 3, strike "program, for the people of the atolls of Bikini, Enewetak, Rongelap, and Utirik and for their descendants." and insert in lieu thereof "program.".

Page 3, lines 18 and 19, strike "associated with an estimate of the risks".

Page 10, line 24, strike "SEC. 402.".

Page 11, line 1, strike "SEC. 403." and insert "SEC. 402.".

Page 12, line 7, strike "SEC. 404." and insert "SEC. 403.".

Page 12, line 17, strike "is" and insert

and Parcels 2 and 22 (Estate Upper Bethlehem, St. Croix, U.S. Virgin Islands) and Parcels 2A and 23 (Fredensborg and Upper Bethlehem, St. Croix, U.S. Virgin Islands) and Parcel 24 (Estate Body Slob and Upper Bethlehem, St. Croix, U.S. Virgin Islands) are

Page 12, following line 18, insert the following new sections 404 and 405:

SEC. 404. No extension, renewal, or renegotiation of the lease of real property on Water Island in the Virgin Islands to which the United States is a party shall be made before 1992 without the express approval of the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the Senate.

SEC. 405. (a) Subsection 28(a) of the Revised Organic Act of the Virgin Islands, as amended by subsection 4(c)(3) of the Act of August 18, 1978 (92 Stat. 487, 491) is amended by inserting after the phrase "and naturalization fees collected in the Virgin Islands," the phrase "less the cost of collecting, except any costs for preclearance operations which shall not be deducted, of all of said duties, taxes, and fees from August 18, 1978, until January 1, 1982,".

(b) Section 4(c)(2) of the Act of August 18, 1978, is amended by inserting the phrase "less the cost of collecting all of said duties, taxes, and fees, occurring before January 1, 1982," after the phrase "the amount of duties, taxes, and fees."

Page 13, line 12, before "shall" insert "(91 Stat. 1160)".

Page 14, following line 11, add a new section 605 as follows:

SEC. 605. Any new borrowing authority provided in this Act or authority to make payments under this Act shall be effective only to the extent or in such amounts as are provided in advance in appropriation acts.

PURPOSE

The purpose of H.R. 3756 is to amend the necessary appropriations, make certain amendments to existing laws, and to provide needed legislation relating to the insular areas of American Samoa, Guam, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and the Virgin Islands in their economic and political development.

BACKGROUND

The 1979 Insular Areas bill was unanimously approved by the Subcommittee on National Parks and Insular Affairs on Monday, April 30. On May 2, 1979, the House Committee on Interior and Insular Affairs reported out H.R. 3756, as amended, by unanimous voice vote.

COST AND BUDGET ACT COMPLIANCE

In accordance with its cost estimates, the Committee recommendations include the following:

Section 102, TTPI.—Provides approximately $12 million for Title 1 payments.

Section 202, NMI.—Authorizes $24.4 million for health care services, specifically a modern hospital.

No estimate was available from the Congressional Budget Office regarding this legislation prior to the filing of this report.

Section-by-Section Analysis

TITLE I—TRUST TERRITORY OF THE PACIFIC ISLANDS

Section 101.—The current authorization for the Trust Territory of the Pacific Islands expires at the end of fiscal 1980. This section extends that authorization and provides for such sums as may be necessary.

Section 102.—The Secretary of the Interior is authorized to pay 50 percent of the claims owed the Micronesians under Title I of the Micronesian Claims Act of 1971.

Section 103.—This authorizes a comprehensive medical program for the people of the atolls of Bikini, Enewetak, Rongelap and Utirik in the Northern Marshall Islands, Trust Territory of the Pacific Islands. U.S. nuclear testing in these areas in the 1940's and 1950's affected the health of many of the islanders and in some cases, it may be years before it is fully understood how the radiation affected these people. It is therefore the responsibility of the United States to provide them with a program of medical care and treatment.

Section 104.—This section stipulates that the federal programs currently available to the Trust Territory of the Pacific Islands (TTPI) cannot be terminated without the express consent of the Congress.

TITLE II—NORTHERN MARIANA ISLANDS

Section 201.—The salary of the NMI Comptroller is currently paid by the Department of the Interior. This section simply provides that this practice be required by law.

Section 202.—$24.4 million is authorized for medical facilities in the NMI. A study conducted for the NMI government concludes that NMI health care is woefully below U.S. standards—both on the mainland and in other territories—and that a new hospital must be constructed.

Section 203.—The Secretary of the Treasury is directed to assume responsibility for the administration and enforcement of Federal income tax collection and customs operations in the NMI.

Section 204.—Implementation of the IRC is delayed until January 1, 1982, by which time the NMI government will be better prepared to implement and enforce it. This represents no tax loss to the U.S. Treasury.

Section 205.—This is a technical amendment which brings into conformity the costs as distinguished from develoment for the American Memorial Park on Saipan.

TITLE III—GUAM

Section 301.—This section directs the Secretary of the Treasury to administer and enforce the territorial income tax and customs operations in Guam by January 1, 1980. These measures will significantly improve tax collection as well as impede drug traffic through Guam. Further, the Secretary is directed to collect local taxes if requested to do so by the Governor.

Section 302.—The government of Guam is hard-pressed to meet its financial obligations. In 1963, a Federal loan was granted to Guam to offset both typhoon and World War II damage. This section eliminates future interest payments on the loan and credits interest payments made to date towards the principal.

Section 303.—Upon guarantee of the Secretary of the Interior, the Federal Financing Bank, under previous legislation, is authorized to lend the Guam Power Authority up to $36 million to cover obligations due in 1976. Payments due will be deducted from Guam Organic Act Section 30 funds if GPA fails to pay.

TITLE IV—VIRGIN ISLANDS

Section 401.—This section extends the Federal guarantee of bonds issued by the Virgin Islands from 1979 to 1989.

Section 402.—This section directs the Secretary of the Treasury to administer and enforce beginning January 1, 1980, the collection of all customs duties and income tax in the Virgin Islands. Additionally, the Secretary is directed to administer any local tax upon request of the Governor.

Section 403.—Title to some small parcels of land is conveyed from the U.S. Government to the VI government.

Section 404.—The master lease on Water Island in the Virgin Islands cannot be extended, renewed or renegotiated before 1992 without the express consent of the House Committee on Interior and Insular Affairs and the Senate Committee on Energy and Natural Resources.

Section 405.—Section 4 of Public Law 95-348 is amended to correct a situation involving customs collections in the Virgin Islands.

TITLE V—AMERICAN SAMOA

Section 501.—The salary of the comptroller for American Samoa is currently paid for by the Department of the Interior under an executive agreement. This section simply makes this a matter of law.

Section 502.—The Secretary of the Treasury, upon the request of the Governor of American Samoa, is directed to administer and enforce the collection of customs duties in American Samoa at no cost to the American Samoa Government.

TITLE VI—MISCELLANEOUS

Section 601.—Under this section, all provisions of Title V of Public Law 95-134 must be complied with by the Department of Interior as far as the insular areas go. Title V covers consolidation of funds for these areas.

Section 602.—Any amounts not appropriated in a given fiscal year will remain available in succeeding fiscal years.

Any money appropriated for a fiscal year but not expended shall remain available for expenditure in future years.

Section 603.—This section provides that any U.S. agencies that provide services, facilities or equipment to the government of an insular area can be directly reimbursed by that insular government. ment.

Section 604.—This is language required under the Budget Act.

Section 605.—This is language required under the Budget Act.

Inflationary Impact

The expenditures authorized involve necessary Government expenditures in remote areas which have been severely affected by economic recession and unemployment. It is the sense of the committee that these outlays will not have an inflationary impact.

Oversight Statement

Pursuant to rule X, clause 2(b)(1), the Committee on Interior and Insular Affairs continues to exercise oversight responsibilities in connection with legislation affecting the insular areas. No recommendations were submitted to the committee pursuant to rule X, clause 2 (b)(2).

Committee Recommendation

The bill, H.R. 3756, having been approved by the Subcommittee on National Parks and Insular Affairs, was approved by the Committee on Interior and Insular Affairs, in open markup session, on May 2, 1979, by a unanimous vote.

The following letter was received by the Committee from the Committee on Foreign Affairs:

Congress of the United States,
Committee on Foreign Affairs,
House of Representatives,
Washington, D.C., May 1, 1979.

Hon. Morris Udall,
Chairman, Committee on Interior and Insular Affairs, U.S. House of Representatives, Washington, D.C.

Dear Mr. Chairman: The Committee on Foreign Affairs has examined the relevant provisions of the bill H.R. 3756, the omnibus territories authorization. The Committee reviewed, in particular, the foreign policy implications of the funds authorized to be appropriated under section 102 to support Title I Micronesian War Claims payments; and of section 104 regarding the operation of Federal Programs in the Trust Territory of the Pacific Islands, which fall under the jurisdiction of the Committee pursuant to clause 1(k) of the Rules of the House.

Without prejudice to its jurisdiction, the Committee on Foreign Affairs does not intend to request sequential referral of these sections of the bill and has, therefore, no objection to the consideration of these provisions of the bill by the House. The Committee supports the intent of the above mentioned provisions.

It would be appreciated if you would include this letter in your Committee Report on H.R. 3756.

With best wishes, I am.

Sincerely yours,

Clement J. Zablocki,
Chairman.

Executive Communications

Executive Communication from the Under Secretary of the Interior dated February 27, 1979, relevant to H.R. 3756, is set forth below:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., February 27, 1979.

Hon. WALTER F. MONDALE
President of the U.S. Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed herewith is a proposed bill, "To amend the Revised Organic Act of the Virgin Islands, and for other purposes.".

We recommend that the bill be referred to the appropriate Committee for consideration, and that it be enacted.

The proposed bill would convey to the Virgin Islands Government title to certain property that currently is owned by the Federal Government, although the property has consistently been used by the Virgin Islands Government in the exercise of its governmental functions.

Section 3 of Public Law 93–435 provides in part that:

"All right, title, and interest of the United States in the property placed under the control of the Government of the Virgin Islands by section 4(a) of the Organic Act of the Virgin Islands of the United States (48 U.S.C. 1405c(a)), not reserved to the United States by the Secretary of the Interior within one hundred and twenty days after the date of enactment of this subsection, is hereby conveyed to such government."

It appears clear that the Congress intended to convey title to all property being used by the territorial government that was no longer required in the exercise of Federal functions or responsibilities. The language quoted above authorized the Secretary of the Interior to reserve property to the United States and the statute specifically excepted from the conveyance of title the lands administered by the Secretary of the Interior as a part of the National Park System.

Nevertheless, there are five pieces of property that never were "placed under the control of the Government of the Virgin Islands" pursuant to Section 4(a) of the Organic Act. However, they have been used by the territorial government in carrying out its functions.

These properties were transferred "to the control and jurisdiction of the Secretary of the Interior for use in the administration of the government of the Virgin Islands" by Executive Order No. 5602, dated April 20, 1931. They are properties acquired from the Government of Denmark in accordance with the agreement to purchase the islands.

The properties in question are:

Marine Barracks (Senate Building)—Consists of 2.0 acres of land and 9 buildings.

Quarters "B"—Consists of 0.4 acres of land and 4 buildings.

Military Cemetery, King's Quarters—Consists of 1.3 acres of land.

King's Hill Home for the Aged, No. 23aa King's Quarter—Consists of 34.9 acres of land and 7 buildings.

Public Works Yard, Nos. 1 and 2 East Street—Consists of 1.4 acres of land and 4 buildings.

The first three properties are on St. Thomas and the latter two are located in Christiansted, St. Croix. In addition to these five properties, there may be other isolated parcels which have not been specifically

identified. The bill is broadly drafted to convey all properties acquired from Denmark. This is permissible because, under Public Law 93–435, the United States Government reserved all the property for its own purposes in the Virgin Islands.

At the time of the issuance of Executive Order No. 5602 in 1931, there was no organic legislation for the Virgin Islands and the administration of the territory was a Federal activity. Even with the enactment of organic legislation in 1936 and its revision in 1954, there remained a substantial degree of Federal responsibility for administration and thus, perhaps, there was a continuing rationale for retaining title to the foregoing properties in the Federal Government.

There have been progressive steps in self-government in recent years with the amendments to the Organic Act providing for the election of a delegate to Congress and the election of the Governor who previously had been a Presidential appointee with the advice and consent of the United States Senate. There is no longer any administrative reason for the Federal Government to retain title to these properties. For many years they have been operated and maintained by the territorial government; they serve local governmental needs. Enactment of the enclosed proposed bill will remove an anachronism in the development of self-government in the Virgin Islands dating from the pre-Organic Act days.

The Office of Management and Budget has advised that there is no objection to the submission of this proposed legislation from the standpoint of the Administration's program.

Sincerely,

JAMES A. JOSEPH,
Under Secretary.

Enclosure.

A BILL To amend the Revised Organic Act of the Virgin Islands, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Subsection (b) of section 31 of the Revised Organic Act of the Virgin Islands (48 U.S.C. 1545(b)) as amended, is further amended by numbering the existing paragraph "(1)" and by the addition thereto of the following new paragraph:

"(2) Subject to valid existing rights, title to all property in the Virgin Islands which may have been acquired by the United States from Denmark under the Convention entered into August 16, 1916, not reserved or retained by the United States in accordance with the provisions of Public Law 93–435, 88 Stat. 1210, is hereby transferred to the Virgin Islands Government."

CHANGES IN EXISTING LAW

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows—existing law proposed to be omitted is enclosed, in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman:

ACT OF JUNE 30, 1954 (68 STAT. 330)

TITLE I

SEC. 101. (a) Section 2 of the Act of June 30, 1954 (68 Stat. 330), as amended, is further amended by changing "and such amounts as were authorized but not appropriated for fiscal year 1975," to read "and such amounts as were authorized but not appropriated for fiscal years 1975, 1976, and 1977; for fiscal year 1978, $90,000,000; for fiscal year 1979, $122,700,000; for fiscal year 1980, $112,000,000;[".] *for fiscal years after fiscal year 1980, such sums as may be necessary."*

(b) Section 2 of the Act of June 30, 1954 (68 Stat. 330), as amended, is further amended by (1) deleting "but not to exceed $10,000,000," and (2) deleting all of the language beginning with the words "which amounts for each fiscal year" up to and including the words "calendar year 1974,".

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ACT OF OCTOBER 15, 1977 (91 STAT. 1160)

* * * * * * *

SEC. 104. (a) In addition to appropriations authorized to compensate inhabitants of Rongelap Atoll and Utirik Atoll in the Trust Territory of the Pacific Islands for radiation exposure sustained by them as a result of a thermonuclear detonation at Bikini Atoll in the Marshall Islands on March 1, 1954, pursuant to the Act of August 22, 1964 (78 Stat. 598), effective October 1, 1977, there are authorized to be appropriated such amounts as may be necessary to carry out the provisions of this section and the Secretary of the Interior (hereafter in this section referred to as the "Secretary") is authorized and directed to make the payments as hereafter provided in this paragraph to individuals, or to their heirs or legatees, as the case may be, who were on March 1, 1954, residents on Rongelap Atoll or Utirik Atoll in the Marshall Islands:

(1) The Secretary shall pay $25,000 to each such individual from whom the thyroid gland or a neurofibroma in the neck was surgically removed, or who has developed hypothyroidism, or who develops a radiation-related malignancy, such as leukemia.

(2) The Secretary shall pay $1,000 to each individual who, on such date, was a resident on Utirik Atoll.

(3) Where circumstances warrant, as he shall determine, the Secretary shall pay an amount not in excess of $25,000 as he determines to be an appropriate compassionate compensation to each such individual who has suffered any physical injury or harm from a radiation-related cause but who is not an individual described in paragraph (1).

[(4) In addition to the payments provided in paragraphs (1), (2), and (3) of this subsection, the Secretary shall provide by appropriate means adequate medical care and treatment for any person who has a continuing need for the care and treatment of any radiation injury or illness directly related to the thermonuclear detonation referred to in paragraph (a) of this section. The costs of such medical care and treatment shall be assumed by the Administrator of the Energy Research and Development Administration.]

[(5)] (4) Not later than December 31, 1980, the Secretary shall report to the appropriate committees of the United States Congress for their consideration what, if any, additional compassionate compensation may be justified for those individuals continuing to suffer from injuries or illnesses directly related to radiation resulting from the thermonuclear detonation referred to in paragraph (a) of this section.

In the case of the demise of any individual entitled to receive payment under this section who expires before receiving such payment, the Secretary shall pay the amount which that individual would have been entitled to receive under this section to the heirs or legatees of such individual, in accordance with an appropriate method of distribution per stirpes, and not per capita. Where the demise of any individual eligible for payment under paragraph (1) or (3) supra is directly related to the thermonuclear detonation referred to in paragraph (a) of this section, the Secretary may make an additional compassionate payment not to exceed $100,000 to the heirs or legatees of such individual. In determining the amount of such payment the Secretary shall consider, but is not limited to, the following: any payments which the deceased has received or would have been eligiblie to receive under this section, and loss of support, services, or contributions to the heirs or legatees.

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(3) at appropriate intervals, but not less frequently than once every five years, the development of an updated radiation dose assessment, together with an estimate of the risks associated with the predicted human exposure, for each such atoll;

(4) an education and information program to enable the people of such atolls to more fully understand nuclear radiation and its effects, to the end that unrealistic fears will be minimized and measures to discover, treat, or reduce human exposure to radiation at such atolls will be maximally effective.

(b) (1) In the development and implementation of the program provided by this section, the Secretary shall consult and coordinate with the High Commissioner of the Trust Territory of the Pacific Islands, the President of the Marshall Islands, the Secretary of the Department of Energy, the Secretary of Defense; and, in consultation with the National Academy of Sciences, shall establish a scientific advisory committee which shall review and evaluate the conduct of such program and make such recommendations regarding its improvement as they deem advisable.

(2) At the request of the Secretary, any Federal agency shall provide such information, personnel, facilities, logistical support, or other assistance as the Secretary deems necessary to carry out the functions of this program; the costs of all such assistance shall be reimbursed to the provider thereof out of the sums appropriated by this section.

(3) There are authorized to be appropriated to the Secretary of the Interior such sums as may be necessary to plan, implement, and operate the program authorized and directed to be provided by this section.

(c) The Secretary shall report to the appropriate committees of the Congress, and to the people of the atolls of Bikini, Enewetak, Rongelap, and Utirik, annually, or more frequently if necessary, on the activities of the program provided by this section. Each such report shall include a description of the health status of the individuals examined

and treated under the program, an evaluation of the program by the scientific advisory committee, and any recommendations for improvement of the condition of such individuals. The first such report shall be submitted not later than one year after this section becomes law.

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SEC. 501. In order to minimize the burden caused by existing application and reporting procedures for certain grant-in-aid programs available to the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Government of the Northern Mariana Islands (hereafter referred to as "Insular Areas") it is hereby declared to be the policy of the Congress that:

(a) Notwithstanding any provision of law to the contrary, any department or agency of the Government of the United States which administers any Act of Congress which specifically provides for making grants to any Insular Area under which payments received may be used by such Insular Area only for certain specified purposes (other than direct payments to classes of individuals) [may,] *shall* acting through appropriate administrative authorities of such department or agency, consolidate any or all grants made to such area for any fiscal year or years.

(b) Any consolidated grant for any insular area shall not be less than the sum of all grants which such area would otherwise be entitled to receive for such year.

(c) The funds received under a consolidated grant shall be expended in furtherance of the programs and purposes authorized for any of the grants which are being consolidated, which are authorized under any of the Acts administered by the department or agency making the grant, and which would be applicable to grants for such programs and purposes in the absence of the consolidation, but the Insular Areas shall determine the proportion of the funds granted which shall be allocated to such programs and purposes.

(d) Each department or agency making grants-in-aid shall, by regulations published in the Federal Register, provide the method by which any Insular Area may submit (i) a single application for a consolidated grant for any fiscal year period, but not more than one such application for a consolidated grant shall be required by any department or agency unless notice of such requirement is transmitted to the appropriate committees of the United States Congress together with a complete explanation of the necessity for requiring such additional applications and (ii) a single report to such department or agency with respect to each such consolidated grant: *Provided*, That nothing in this paragraph shall preclude such department or agency from providing adequate procedures for accounting, auditing, evaluating, and reviewing any programs or activities receiving benefits from any consolidated grant. The administering authority of any department or agency, in its discretion, [may] *shall* (i) waive any requirement for matching funds otherwise required by law to be provided by the Insular Area involved and (ii) waive the requirement that any Insular Area submit an application or report in writing with respect to any consolidated grant.

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SEC. 3. (a) There is hereby authorized to be appropriated for expenditure after October 1, 1978, not more than $12,000,000 plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in construction costs from October 1978 price levels as indicated by engineering costs indexes applicable to the types of construction involved, to assist in the acquisition and construction of a powerplant for the Northern Mariana Islands together with upgrading, rehabilitation, or replacement of distribution facilities.

(b) (1) The government of the Northern Marianas in carrying out the purposes of this Act, Public Law 95-134, or Public Law 94-241, may utilize, to the extent practicable, the available services and facilities of agencies and instrumentalities of the Federal Government on a reimbursable basis. Such amounts may be credited to the appropriation or fund which provided the services and facilities. Agencies and instrumentalities of the Federal Government may, when practicable, make available to the government of the Northern Marianas, upon request of the Secretary, such services and facilities as they are equipped to render or furnish, and they may do so without reimbursement if otherwise authorized by law.

(2) Any funds made available to the Northern Mariana Islands under grant-in-aid programs by section 502 of the Covenant To Establish a Commonwealth of the Northern Mariana Islands in Political Union With the United States of America (Public Law 94-241), or pursuant to any other Act of Congress enacted after March 24, 1976, are hereby authorized to remain available until expended.

(3) Any amount authorized by the Covenant described in paragraph (2) or by any other Act of Congress enacted after March 24, 1976, which authorizes appropriations for the Northern Mariana Islands, but not appropriated for a fiscal year is authorized to be available for appropriation in succeeding fiscal years.

(c) Notwithstanding the provisions of the Food Stamp Act of 1977, the Secretary of Agriculture is authorized, upon the request of the Government of the Northern Mariana Islands, acting pursuant to legislation enacted in accordance with sections 5 and 7 of article II of the Constitution of the Northern Mariana Islands, and for the period during which such legislation is effective, (1) to implement a food stamp program in part or all of the Northern Mariana Islands with such income and household standards of eligibility, deductions, and allotment values as the Secretary determines, after consultation with the Governor, to be suited to the economic and social circumstances of such islands: *Provided*, That in no event shall such income standards of eligibility exceed those in the forty-eight contiguous States, and (2) to distribute or permit a distribution of federally donated foods in any part of the Northern Mariana Islands for which the Governor has not requested that the food stamp program be implemented. This authority shall remain in effect through September 30, 1981, and shall not apply to section 403 of Public Law 95-135.

(d) The Secretary of the Treasury is authorized and directed, upon the request of the Governor of the Northern Mariana Islands,

acting pursuant to legislation enacted in accordance with sections 5 and 7 of article II of the Constitution of the Northern Mariana Islands, without reimbursement or other costs to the government of the Northern Mariana Islands, to administer and enforce the provisions of section [601, 603, or] 604 of the Covenant To Establish a Commonwealth of Northern Mariana Islands in Political Union With the United States of America (Public Law 94–241; 90 Stat. 263, 269) and in order to administer and enforce the collection of any payroll tax or other tax measured by income which may be in force in the Northern Mariana Islands pursuant to section 602 of such Covenant. This authority shall continue until such time as the Governor of the Northern Mariana Islands, acting pursuant to legislation enacted in accordance with sections 5 and 7 of article II of the Constitution of the Northern Mariana Islands, requests the Secretary of the Treasury to discontinue the administration and enforcement of such taxes. The administration and enforcement of such taxes by the government of the Northern Mariana Islands shall begin on January 1 of the year following the year in which such Northern Mariana Islands law is enacted.

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SEC. 4. * * *

(2) Beginning as soon as the government of the Virgin Islands enacts legislation establishing a fiscal year commencing on October 1 and ending on September 30, the Secretary of the Treasury, prior to the commencement of any fiscal year, shall remit to the government of the Virgin Islands the amount of duties, taxes, and fees, *less the cost of collecting all of said duties, taxes, and fees, occurring before January 1, 1982*, which the Governor of the Virgin Islands, with the concurrence of the government comptroller of the Virgin Islands, has estimated will be collected in or derived from the Virgin Islands under the Revised Organic Act of the Virgin Islands during the next fiscal year, except for those sums covered directly upon collection into the treasury of the Virgin Islands. There shall be deducted from or added to the amounts so remitted, as may be appropriate, at the beginning of the fiscal year, the difference between the amount of duties, taxes, and fees actually collected during the prior fiscal year and the amount of such duties, taxes, and fees as estimated and remitted at the beginning of that prior fiscal year, including any deductions which may be required as a result of the operation of Public Law 94–392 (90 Stat. 1195).

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AMERICAN MEMORIAL PARK

SEC. 5. (a) The Secretary, acting through the Director of the National Park Service, is authorized and directed to develop, maintain, and administer the existing American Memorial Park (hereinafter in this section referred to as the "park"), located at Tanapag Harbor Reservation, Saipan. The park shall be administered for the primary purpose of honoring the dead in the World War II Mariana Islands campaign.

(b) The Secretary is authorized and directed to the maximum extent feasible to employ and train residents of the Mariana Islands to develop, maintain, and administer the park.

(c) Other points in the Northern Mariana Islands relevant to the park may be identified, established, and marked by the Secretary in agreement with the Governor of the Northern Marianas.

(d) The Secretary shall provide for interpretative activities at the park, for which he is authorized to seek the assistance of appropriate historians to interpret the historical aspects of the park. To the greatest extent possible, interpretative activities shall be conducted in the following four languages: English, Chamorro, Carolinian, and Japanese.

(e) Notwithstanding any provision of law to the contrary, no fee or charge may be imposed for entrance or admission into the American Memorial Park.

(f) The Secretary shall transfer administration of the park to the government of the Northern Mariana Islands at such time as the Governor, acting pursuant to legislation enacted in accordance with sections 5 and 7 or article II of the Constitution on the Northern Mariana Islands, requests such a transfer. All improvements, including real and personal property, shall thereupon be transferred without cost to the government of the Northern Mariana Islands and thereafter the full cost of development, administration, and maintenance for the park shall be borne by the government of the Northern Mariana Islands, except as provided in subsection (g) of this section.

(g) For the development, maintenance, and operation of the park (but not for any acquisition of land or interests in lands), there is hereby authorized to be appropriated [not to exceed $3,000,000] *such sums as may be necessary, but not to exceed $3,000,000 for development* effective October 1, 1978. Amounts appropriated pursuant to this subsection shall remain available until expended.

(h) Nothing contained in this Act is intended to alter or diminish the authority to exercise the five year option contained in article VIII of Public Law 94–241.

* * * * * * *

Guam Organic Act (48 U.S.C. 1421)

Sec. 11. The legislative power of Guam shall extend to all subjects of legislation of local application not inconsistent with the provisions of this Act and the laws of the United States applicable to Guam. Taxes and assessments on property, internal revenues, sales, license fees, and royalties for franchises, privileges and concessions may be imposed for purposes of the government of Guam as may be uniformly provided by the Legislature of Guam, and when necessary to anticipate taxes and revenues, bonds and other obligations may be issued by the government of Guam: Provided, however, That no public indebtedness of Guam shall be authorized or allowed in excess of 10 percentum of the aggregate tax valuation of the property in Guam. Bonds or other obligations of the government of Guam payable solely from revenues derived from any public improvement or undertaking shall not be considered public indebtedness of Guam within the meaning of this section. All bonds issued by the government of Guam or

by its authority shall be exempt, as to principal and interest, from taxation by the Government of the United States or by the government of Guam, or by any State or Territory or any political subdivision thereof, or by the District of Columbia.[13] The Secretary of the Interior (hereafter in this section referred to as 'Secretary') is authorized to guarantee for purchase by the Federal Financing Bank bonds or other obligations of the Guam Power Authority maturing on or before December 31, 1978, which shall be issued in order to refinance short-term notes due or existing on June 1, 1976 and other indebtedness not evidenced by bonds or notes in an aggregate amount of not more than $36 million, and such bank, in addition to its other powers, is authorized to purchase, receive or otherwise acquire these same. The interest rate on obligations purchased by the Federal Financing Bank shall be not less than a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities, adjusted to the nearest one-eighth of 1 per centum, plus 1 per centum per annum. [The Secretary, with the concurrence of the Secretary of the Treasury, may extend the guarantee provision of the previous sentence until December 31, 1980. Such guaranteed bonds or other obligations shall, while outstanding, include a provision for semiannual payments of interest only. If the Secretary determines that the Guam Power Authority will not meet its obligation to pay interest, the Secretary shall request the Secretary of the Treasury to deduct such payments from sums collected and paid pursuant to Section 30 of this Act (48 U.S.C. 1421h).] *The Secretary, with the concurrence of the Secretary of the Treasury," and end with the words "Section 30 of this Act (48 U.S.C. 1421h),", and substituting therefor the following language: "The Secretary, upon finding that the Guam Power Authority is unable to refinance the above-mentioned indebtedness by December 31, 1980, shall extend the guarantee provision of this section until December 31, 2010. Such guaranteed bonds or other obligations shall, while outstanding, include a provision for semiannual payments of interest only until December 31, 1980, and thereafter include a provision for quarterly payments of principal. If the Secretary determines before December 31, 1980, that the Guam Power Authority will not meet its obligation to pay interest, the Secretary shall request the Secretary of the Treasury to deduct such payments from sums collected and paid to the government of Guam pursuant to section 30 of this Act (48 U.S.C. 1421h). Should the guarantees be extended beyond December 1, 1980, (1) the Secretary of the Treasury shall automatically deduct (and pay to the Federal Financing Bank) such payment of principal from sums collected and paid to the government of Guam pursuant to section 30 of this Act, and (2) Guam Power Authority payments of principal and interest shall be paid to the government of Guam.*

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SEC. 30. (*a*) All customs duties and Federal income taxes derived from Guam, the proceeds of all taxes collected under the internal revenue laws of the United States on articles produced in Guam and transported to the United States, its Territories, or possessions, or consumed in Guam, and the proceeds of any other taxes which may

be levied by the Congress on the inhabitants of Guam, and all quarantine, passport, immigration, and naturalization fees collected in Guam shall be covered into the treasury of Guam and held in account for the government of Guam in accordance with the annual budgets except that nothing in this Act shall be construed to apply to any tax imposed by chapter 2 or 21 of the Internal Revenue Code of 1954.

(b) (1) The Secretary of the Treasury shall administer and enforce the collection of all customs duties derived from Guam and the Guam territorial income tax, without cost to the government of Guam. Such administration and enforcement shall begin on January 1, 1980.

(2) The Secretary of the Treasury shall, upon the request of the Governor of Guam, administer and enforce the collection of any tax the proceeds of which are covered into the treasury of Guam under this section (other than customs duties and the Guam territorial income tax to which paragraph (1) applies), and any tax imposed by local law, without cost to the government of Guam. The administration and enforcement of any such tax shall continue until such time as the Governor of Guam, acting pursuant to legislation enacted by the legislature of Guam, requests the Secretary to discontinue the administration and enforcement of such tax.

(3) The Secretary of the Treasury shall hire and train residents of Guam to carry out the administration and enforcement duties required of him under paragraphs (1) and (2).

SEC. 31. (a) The income tax laws in force in the United States of America and those which may hereafter be enacted shall be held to be likewise in force in Guam: *Provided*, That notwithstanding any other provision of law, the Legislature of Guam may levy a separate tax on all taxpayers in an amount not to exceed 10 percentum of their annual income tax obligation to the Government of Guam.

(b) The income tax laws in force in Guam pursuant to subsection (a) of this section shall be deemed to impose a separate Territorial income tax, payable to the government of Guam, which tax is designated the "Guam Territorial income tax".

(c) [The] *Except as provided in section 30(b) of this Act, the* administration and enforcement of the Guam Territorial income tax shall be performed by or under the supervision of the Governor. Any function needful to the administration and enforcement of the income tax laws in force in Guam pursuant to subsection (a) of this section shall be performed by any officer or employee of the government of Guam duly authorized by the Governor (either directly, or indirectly by one or more redelegations of authority) to perform such function.

(d) (1) The income tax laws in force in Guam pursuant to subsection (a) of this section include but are not limited to the following provisions of the Internal Revenue Code of 1954, where not manifestly inapplicable or incompatible with the intent of this section: Subtitle A (not including chapter 2 and section 931); chapters 24 and 25 of subtitle C, with reference to the collection of income tax at source on wages; and all provisions of subtitle F which apply to the income tax, including provisions as to crimes, other offenses and forfeitures contained in chapter 75. For the period after 1950 and prior to the effective date of the repeal of any provision of the Internal Revenue Code of 1939 which corresponds to one or more of those provisions of the Internal Revenue Code of 1954 which are included in the income

section (a) of this section, may, regardless of the amount of claim, be maintained against the government of Guam subject to the same statutory requirements as are applicable to suits for the recovery of such amounts maintained against the United States in the United States district courts with respect to the United States income tax.

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THE ACT OF NOVEMBER 4, 1963 (77 STAT. 302)

* * * * * * *

SEC. 3. The Secretary of the Treasury shall withhold from sums collected pursuant to section 30 of the Organic Act of Guam (48 U.S.C. 1421h), before such sums are transferred to the Government of Guam, such amounts as the Secretary of the Interior estimates will reimburse the United States [, with interest as set forth below,] over a period of thirty years beginning June 30, 1968, for

(a) 100 per centum of such moneys as are paid under section 2 hereof for water projects, power projects, or telephone projects;

(b) 100 per centum of such moneys as are paid under section 2 hereof for use by the Government of Guam to permit Guam to qualify for participation in Federal programs; and

(c) 50 per centum of all other moneys as are paid under section 2 hereof.

[The foregoing amounts, until reimbursed to the United States, shall bear interest beginning July 1, 1968, at a rate determined by the Secretary of the Treasury, which rate shall be determined by the Secretary of the Treasury, taking into consideration the average yield on outstanding marketable obligations of the United States of comparable maturities as of the last day of the month preceding the advance, adjusted to the nearest one-eighth of 1 per centum. All sums so withheld shall be deposited in the Treasury of the United States as miscellaneous receipts.]

All amounts heretofore withheld from sums collected pursuant to section 30 of the said Organic Act as interest on the amounts made available to the government of Guam pursuant to this Act shall be credited as reimbursement payments by Guam on the principal amount advanced by the United States under this Act.

* * * * * * *

AN ACT TO AUTHORIZE THE GOVERNMENT OF THE VIRGIN ISLANDS TO ISSUE BONDS (90 STAT. 1193)

* * * * * * *

SEC. 2. (a) When authorized under subsection (b) of the first section of this Act, the government of the Virgin Islands may apply to the Secretary of the Interior (hereinafter referred to as the "Secretary") for a guarantee of any issue of bonds or other obligations authorized to be issued under subsection (a) of the first section of this Act. Any such application shall contain such information as the Secretary may prescribe.

(b) The Secretary is authorized, with the approval of the Secretary of the Treasury, to guarantee and to enter into commitments to guarantee, upon such terms and conditions as he may prescribe, payment of principal and interest on bonds and other obligations issued by

tax laws in force in Guam pursuant to subsection (a) of this section, such income tax laws include but are not limited to such provisions of the Internal Revenue Code of 1939.

(2) [The] *Except as provided in section 30(b) of this Act, the* Governor or his delegate shall have the same administrative and enforcement powers and remedies with regard to the Guam Territorial income tax as the Secretary of the Treasury, and other United States officials of the executive branch, have with respect to the United States income tax. Needful rules and regulations not inconsistent with the regulations prescribed under section 7654(e) of the Internal Revenue Code of 1954 for enforcement of the Guam Territorial income tax shall be prescribed by the Governor. The Governor or his delegate shall have authority to issue, from time to time, in whole or in part, the text of the income tax laws in force in Guam pursuant to subsection (a) of this section*

(e) In applying as the Guam Territorial income tax the income tax laws in force in Guam pursuant to subsection (a) of this section, except where it is manifestly otherwise required, the applicable provisions of the Internal Revenue Codes of 1954 and 1939, shall be read so as to substitute "Guam" for "United States", "Governor or his delegate" for "Secretary or his delegate", "Governor or his delegate" for "Commissioner of Internal Revenue" and "Collector of Internal Revenue", "District Court of Guam" for "district court" and with other changes in nomenclature and other language, including the omission of inapplicable language, where necessary to effect the intent of this section.

(f) Any act or failure to act with respect to the Guam Territorial income tax which constitutes a criminal offense under chapter 75 of subtitle F of the Internal Revenue Code of 1954, or the corresponding provisions of the Internal Revenue Code of 1939, as included in the income tax laws in force in Guam pursuant to subsection (a) of this section, shall be an offense against the government of Guam and may be prosecuted in the name of the government of Guam by the appropriate officers thereof.

(g) The government of Guam shall have a lien with respect to the Guam Territorial income tax in the same manner and with the same effect, and subject to the same conditions, as the United States has a lien with respect to the United States income tax. Such lien in respect of the Guam Territorial income tax shall be enforceable in the name of and by the government of Guam. Where filing of a notice of lien is prescribed by the income tax laws in force in Guam pursuant to subsection (a) of this section, such notice shall be filed in the Office of the Clerk of the District Court of Guam.

(h)(1) Notwithstanding any provision of section 22 of this Act or any other provision of law to the contrary, the District Court of Guam shall have exclusive original jurisdiction over all judicial proceedings in Guam, both criminal and civil, regardless of the degree of the offense or of the amount involved, with respect to the Guam Territorial income tax.

(2) Suits for the recovery of any Guam Territorial income tax alleged to have been erroneously or illegally assessed or collected, or of any penalty claimed to have been collected without authority, or of any sum alleged to have been excessive or in any manner wrongfully collected, under the income tax laws in force in Guam, pursuant to sub-

the government of the Virgin Islands under subsection (a) of the first section of this Act. No guarantee or commitment to guarantee shall be made unless the Secretary determines—

(1) that the proceeds of such issue will be used only for public works or other capital projects;

(2) taking into account anticipated expenditures by the government of the Virgin Islands while the bonds or other obligations forming a part of such issue will be outstanding, all outstanding obligations of the government of the Virgin Islands which will mature while the bonds or other obligations forming a part of such issue will be outstanding, and such other factors as he deems pertinent, that the revenues expected to be received under section 28(b) of the Revised Organic Act of the Virgin Islands will be sufficient to pay the principal of, and interest on, the bonds or other obligations forming a part of such issue;

(3) that credit is not otherwise available on reasonable terms and conditions and that there is reasonable assurance of repayment, and

(4) that the maturity of any obligations to be guaranteed does not exceed thirty years or 90 per centum of the useful life of the physical assets to be financed by the obligation, whichever is less as determined by the Secretary.

(c) The Secretary shall charge and collect fees in amounts sufficient in his judgment to cover the costs of administering this section. Fees collected under this subsection shall be deposited in the revolving fund created under subsection (g).

(d) Any guarantee made by the Secretary shall be conclusive evidence of the eligibility of the obligation for such guarantee, and the validity of any guarantee so made shall be incontestable, except for fraud or material misrepresentation, in the hands of the holder of the guaranteed obligation. Such guarantee shall constitute a pledge of the full faith and credit of the United States for such obligation.

(e) The interest on any obligation guaranteed under this section shall be included in gross income for purposes of chapter 1 of the Internal Revenue Code of 1954.

(f) The aggregate principal amount of obligations which may be guaranteed under this Act shall not exceed $61,000,000. No commitment to guarantee shall be entered into under this Act after October 1, [1979.] *1989.*

(g)(1) There is hereby created within the Treasury a separate fund (hereinafter referred to as "the fund") which shall be available to the Secretary without fiscal year limitation as revolving fund for the purpose of this Act. A business-type budget for the fund shall be prepared, transmitted to the Congress, considered, and enacted in the manner prescribed by law (sections 102, 103, and 104 of the Government Corporation Control Act (31 U.S.C. 847–849)) for wholly owned Government corporations.

(2) All expenses, including reimbursements to other government accounts, and payments pursuant to operations of the Secretary under this Act shall be paid from the fund. If at any time the Secretary determines that moneys in the fund exceed the present and any reasonably prospective future requirements of the fund, such excess may be transferred to the general fund of the Treasury.

(3) If at any time the moneys available in the fund are insufficient to enable the Secretary to discharge his responsibilities under guarantees under this Act, he shall issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions, as may be prescribed by by the Secretary of the Treasury. Redemption of such notes or obligations shall be made by the Secretary from appropriations which are hereby authorized for this purpose. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, which shall not be less than a rate determined by taking into consideration the average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of Treasury shall purchase any notes or other obligations issued hereunder the proceeds from the sale of any securities issued under the Second Liberty Bond Act and the purposes for which securities may be issued under that Act are extended to include any purchase of such notes or obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.

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Revised Organic Act of the Virgin Islands

(48 U.S.C. 1642 et seq.)

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FISCAL PROVISIONS

§ 28. [Disposition of revenues—Use of certain proceeds for expenditure; income tax obligations of inhabitants]

(a) The proceeds of customs duties, the proceeds of the United States income tax, the proceeds of any taxes levied by the Congress on the inhabitants of the Virgin Islands, and the proceeds of all quarantine, passport, immigration, and naturalization fees collected in the Virgin Islands, *less the cost of collecting, except any costs for preclearance operations which shall not be deducted, of all said duties, taxes, and fees from August 18, 1978, until January 1, 1982,* shall be covered into the treasury of the Virgin Islands, and shall be available for expenditure as the Legislature of the Virgin Islands may provide: Provided, That the term "inhabitants of the Virgin Islands" as used in this section shall include all persons whose perranent residence is in the Virgin Islands, and such persons shall satisfy their income tax obligations under applicable taxing statutes of the United States by paying their tax on income derived from all sources both within and outside the Virgin Islands into the treasury of the Virgin Islands: Provided further, That nothing in this Act shall be construed to apply to any tax specified in section 311 of the Internal Revenue Code.

* * * * * * *

(e) (1) The Secretary of the Treasury shall administer and enforce the collection of all customs duties derived from the Virgin Islands

and the United States income tax the proceeds of which are covered into the treasury of the Virgin Islands under this section, without cost to the government of the Virgin Islands. Such administration and enforcement shall begin on January 1, 1980.

(2) The Secretary of the Treasury shall, upon the request of the Governor of the Virgin Islands, administer and enforce the collection of any tax the proceeds of which are covered into the treasury of the Virgin Islands under this section (other than customs duties and the United States income tax which paragraph (1) applies), without cost to the government of the Virgin Islands. The administration and enforcement of any such tax shall continue until such time as the Governor of the Virgin Islands, acting pursuant to legislation enacted by the legislature of the Virgin Islands, requests the Secretary to discontinue the administration and enforcement of such tax.

(3) The Secretary of the Treasury shall take such steps as are necessary to ensure that the proceeds of the United States income tax in force in the Virgin Islands are covered into the treasury of the Virgin Islands forthwith.

(4) The Secretary of the Treasury shall hire and train residents of the Virgin Islands to carry out the administration and enforcement duties required of him under paragraphs (1) and (2).

* * * * * * *

§ 31. [Lease, sale, and control of public property]

(a) The Secretary of the Interior shall be authorized to lease or to sell upon such terms as he may deem advantageous to the Government of the United States any property of the United States under his administrative supervision in the Virgin Islands not needed for public purposes.

(b) (*1*) The government of the Virgin Islands shall continue to have control over all public property that is under its control on the date of approval of this Act.—July 22, 1954, ch. 558, § 31, 68 stat. 510.

(2) Subject to valid existing rights, title to all property in the Virgin Islands which may have been acquired by the United States from Denmark under the Convention entered into August 16, 1916, not reserved or retained by the United States in accordance with the provisions of Public Law 93-435 (88 Stat. 1210) and Parcels 2 and 22 (Estate Upper Bethlehem, St. Croix, U.S. Virgin Islands) and Parcels 2A and 23 (Fredensborg and Upper Bethlehem, St. Croix, U.S. Virgin Islands) and Parcel 24 (Estate Body Slob and Upper Bethlehem, St. Croix, U.S. Virgin Islands) are hereby transferred to the Virgin Islands government.

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visions in the bill; namely, sections 203, 204, and 205, which recognize these matters and suggest that they receive proper attention.

Mr. Speaker, I believe this is a good bill, and I urge its adoption by the House.

Mr. Speaker, I yield 5 minutes to the gentleman from California (Mr. LAGOMARSINO).

(Mr. LAGOMARSINO asked and was given permission to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Speaker, I would just like to take a few moments to speak in support of H.R. 3757, the omnibus parks bill, especially my legislation to establish a national park on the Channel Islands in California, title II of the bill.

I would first like to commend my colleagues on the National Parks Subcommittee, particularly our distinguished subcommittee chairman, PHIL BURTON, and my colleagues DON CLAUSEN and KEITH SEBELIUS, for their excellent efforts represented in H.R. 3757, the omnibus parks bill. This legislation encompasses a collection of technical improvements in park policy and corrects technical errors in previous parks legislation. I am especially pleased with the provision in title 1, section 1, paragraph 11, amending the date for improved property in the Santa Monica Mountains National Recreation Area, allowing additional landowners to qualify for a fixed life term of continued use and occupancy.

As already mentioned, the Channel Islands National Park legislation is included in this bill. The Channel Islands, which lie at a distance of 11 to 60 miles off the coast of Santa Barbara and Ventura Counties in my district, offer a remarkably pure addition to our National Park System. Long isolated from the mainland, the islands have become the home for rare and endangered species including the endangered brown pelican and endangered Guadalupe fur seal. They provide shelter for endemic species and a haven for exotic birds and animals. Their shores are the chosen breeding grounds for a variety of marine mammals and contain sheltered tide pools abundant with abalone and other marine life.

Culturally, the islands have a rich past: Juan Cabrillo, founder of California, is believed to be buried here. The islands also contain significant relics from the time they were inhabited by the seafaring Chumash Indians.

Because of the stewardship of concerned landowners, the islands have sustained a delicate ecological balance. In a way, they provide us with a pretty good scenario of what the mainland embodied thousands of years ago.

My bill established the Channel Islands National Park on Santa Barbara and Anacapa Islands, which presently constitute the Channel Islands National Monument, San Miguel, Santa Rosa, and Santa Cruz Islands. Among other things, the legislation provides traditional acquisition authority with some qualifications, and calls for a natural resources study report to be submitted for congressional committee review, periodically over the next 10 years. Perhaps most important, it recognizes the unique fragility and sensitivity of the island's resources by specifying that the new park be administered on a low-intensity basis, so that visitor use will be limited to capacities which do not endanger the exceptional resources found here. The changes in the bill made in the subcommittee are good ones, reflecting the concerns of all interested parties.

Mr. Speaker, I would like to urge today that my colleagues support H.R. 3757, the omnibus parks bill, improving our National Park System, and that they vote to establish the Channel Islands National Park to be preserved in perpetuity for the benefit of generations to come.

Mr. PHILLIP BURTON. Mr. Speaker, will the gentleman yield?

Mr. LAGOMARSINO. I yield to the gentleman from California.

Mr. PHILLIP BURTON. Mr. Speaker, I would like to join with my colleague and underscore our applause to Dr. Stanton for his generous actions and vision about preserving this great and universally approved resource. Dr. Stanton at considerable personal income sacrifice cooperated with the Nature Conservatancy and because of his actions the Channel Islands, and this most important unit, are going to be preserved for posterity.

I think this is in the best tradition of those old families that own some of our Nation's most unique resources. I want the record to reflect my own approbation and applause of Dr. Stanton's activities.

Mr. LAGOMARSINO. Mr. Speaker, I thank the gentleman.

Mr. Speaker, I yield 1 minute to the gentleman from Virginia (Mr. WHITEHURST).

Mr. WHITEHURST. Mr. Speaker, as the sponsor of H.R. 1307, the bill to establish the North Country Scenic Trail, I am pleased to rise in support of H.R. 3757, which contains the provision for this trail, and I would like to take this opportunity to commend Chairman BURTON and the members of the subcommittee and the full committee on their expeditious handling of this important legislation. I urge favorable consideration of this bill by my colleagues, since it represents another step forward for our national parks and recreation areas.

Mr. PHILLIP BURTON. Mr. Speaker, will the gentleman yield?

Mr. LAGOMARSINO. I yield to the gentleman from California.

Mr. PHILLIP BURTON. Mr. Speaker, as the gentleman is aware, this item was in the omnibus bill last year. It got lost in the last minute shuffle. It was the introduction of the gentleman's bill to this Congress that prompted our memories and produced this item in the legislation.

I commend the gentleman for his leadership in this respect.

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Mr. Speaker, I have no further requests for time.

Mr. SEBELIUS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MURTHA). The question is on the motion offered by the gentleman from California (Mr. PHILLIP BURTON) that the House suspend the rules and pass the bill H.R. 3757, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read: "A bill to amend the National Parks and Recreation Act of 1978, to establish the Channel Islands National Park, and for other purposes.".

A motion to reconsider was laid on the table.

AUTHORIZATION FOR TRUST TERRITORIES AND INSULAR AREAS OF THE UNITED STATES

Mr. PHILLIP BURTON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3756) to authorize appropriations for certain insular areas of the United States, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3756

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—TRUST TERRITORY OF THE PACIFIC ISLANDS

SEC. 101. Section 2 of the Act of June 30, 1954 (68 Stat. 330) is amended by inserting after "for fiscal year 1980, $112,000,000;" the following: "for fiscal years after fiscal year 1980, such sums as may be necessary.".

SEC. 102. There is hereby authorized to be appropriated to the Secretary of the Interior an amount equal to 50 per centum of such sums as may be necessary to satisfy all adjudicated claims and final awards made before the date of the enactment of this Act by the Micronesian Claims Commission under title I of the Micronesian Claims Act of 1971 (85 Stat. 96; 50 U.S.C. App. 2018 et seq.), to be used by the Secretary for the payment of such awards.

SEC. 103. The Act entitled "An Act to authorize certain appropriations for the territories of the United States, to amend certain Acts relating thereto, and for other purposes" (91 Stat. 1159; Public Law 95-134) is amended—

(1) in subsection 104(a), by striking out paragraph (4) and redesignating paragraph (5) as paragraph (4); and

(2) by inserting after section 105, the following new section:

"SEC. 106. In addition to any other payments or benefits provided by law to compensate inhabitants of the atolls of Bikini, Enewetak, Rongelap, and Utirik, in the Marshall Islands, for radiation exposure or other losses sustained by them as a result of the United States nuclear weapons testing program at or near their atolls during the period 1946 to 1958, the Secretary of the Interior shall provide for the people of the Atolls of Bikini, Enewetak, Rongelap, and Utirik and for their descendants a program of medical care and treatment and environmental research and monitoring for any injury, illness, or condition which may have been the result of such nuclear weapons testing program. Such program shall include but shall not be limited to—

"(1) an integrated, comprehensive health care program including primary, secondary, and tertiary care with special emphasis upon the biological effects of ionizing radiation;

"(2) a periodic comprehensive survey and analysis of the radiological status of the atolls of Bikini, Enewetak, Rongelap, Utirik, and Ailinginae, employing the most current scientific and technical methods available, with emphasis upon radionuclide pathways to man and economic development of the islands;

"(3) at appropriate intervals, but not less frequently than once every five years, the development of an updated radiation dose assessment, together with an estimate of the risks associated with the predicted human exposure, for each such atoll;

"(4) an education and information program to enable the people of such atolls to more fully understand nuclear radiation and its effects, to the end that unrealistic fears will be minimized and measures to discover, treat, or reduce human exposure to radiation at such atolls will be maximally effective.

"(b)(1) In the development and implementation of the program provided by this section, the Secretary shall consult and coordinate with the High Commissioner of the Trust Territory of the Pacific Islands, the President of the Marshall Islands, the Secretary of the Department of Energy, the Secretary of Defense; and, in consultation with the National Academy of Sciences, shall establish a scientific advisory committee which shall review and evaluate the conduct of such program and make such recommendations regarding its improvement as they deem advisable.

"(2) At the request of the Secretary, any Federal agency shall provide such information, personnel, facilities, logistical support, or other assistance as the Secretary deems necessary to carry out the functions of this program; the costs of all such assistance shall be reimbursed to the provider thereof out of the sums appropriated by this section.

"(3) There are authorized to be appropriated to the Secretary of the Interior such sums as may be necessary to plan, implement, and operate the program authorized and directed to be privided by this section.

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"(c) The Secretary shall report to the appropriate committees of the Congress, and to the people of the atolls of Bikini, Enewetak, Rongelap, and Utirik, annually, or more frequently if necessary, on the activities of the program provided by this section. Each such report shall include a description of the health status of the individuals examined and treated under the program, an evaluation of the program by the scientific advisory committee, and any recommendations for improvement of the condition of such individuals. The first such report shall be submitted not later than one year after this section becomes law.".

SEC. 104. Except in cases in which the Federal program is terminated with respect to all recipients under the program, Federal programs shall not cease to apply to the Trust Territory of the Pacific Islands, either before or after the termination of the trusteeship, without the express approval of Congress.

TITLE II—NORTHERN MARIANA ISLANDS

SEC. 201. The salary and expenses of the government comptroller for the Northern Mariana Islands shall be paid from funds authorized to be appropriated to the Department of the Interior.

SEC. 202. There are hereby authorized to be appropriated to the Secretary of the Interior $24,400,000 plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in construction costs from October 1979 price levels as indicated by engineering cost indexes applicable to the types of construction involved, for a grant to the Commonwealth of the Northern Marianas Islands to provide for health care services. No grant may be made by the Secretary of the Interior pursuant to this section without the prior approval of the Secretary of Health, Education, and Welfare.

SEC. 203. (a) The Secretary of the Treasury shall administer and enforce the provisions of sections 601 and 603 of the Covenant To Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America (Public Law 94-241; 90 Stat. 263, 269), without cost to the government of the Northern Mariana Islands. The administration and enfrocement of section 603 shall begin on January 1, 1980, and the administration and enforcement of section 601 shall begin on Januray 1, 1982.

(b) Section 3(d) of the Act entitled "An Act to authorize appropriations for certain insular areas of the United States, and for other purposes" (Public Law 95-348; 92 Stat. 487) is amended by striking out "601, 603, or 604" and inserting in lieu thereof "604".

(c) The Secretary of the Treasury shall take such steps as are necessary to ensure that the proceeds of the local territorial income tax are covered into the treasury of the Northern Mariana Islands forthwith.

(d) The Secretary of the Treasury shall hire and train residents of the Northern Mariana Islands to carry out the administration and enforcement duties required of him under subsections (a) and (b).

SEC. 204. Notwithstanding the provisions of section 1003 of the Covenant To Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America, approved March 24, 1976 (90 Stat 263), the provisions of section 601 of such Covenant shall not take effect until January 1, 1982.

SEC. 205. Subsection (g) of section 5 of the Act entitled "An Act to authorize appropriations for certain insular areas of the United States, and for other purposes", approved August 18, 1978 (92 Stat. 492), is amended by changing "not to exceed $3,000,000" to "such sums as may be necessary, but not to exceed $3,000,000 for development,".

TITLE III—GUAM

SEC. 301. (a) Section 30 of the Guam Organic Act (48 U.S.C. 1421h) is amended—

(1) by inserting "(a)" after "SEC. 30."; and

(2) by inserting at the end thereof the following new subsection:

"(b)(1) The Secretary of the Treasury shall administer and enforce the collection of all customs duties derived from Guam and the Guam territorial income tax, without cost to the government of Guam. Such administration and enforcement shall begin on January 1, 1980.

"(2) The Secretary of the Treasury shall, upon the request of the Governor of Guam administer and enforce the collection of any tax the proceeds of which are covered into the treasury of Guam under this section (other than customs duties and the Guam territorial income tax to which paragraph (1) applies), and any tax imposed by local law, without cost to the government of Guam. The administration and enforcement of any such tax shall continue until such time as the Governor of Guam, acting pursuant to legislation enacted by the legislature of Guam, requests the Secretary to discontinue the administration and enforcement of such tax.

"(3) The Secretary of the Treasury shall hire and train residents of Guam to carry out the administration and enforcement duties required of him under pagararphs (1) and (2).".

(b) Section 31(c) of the Guam Organic Act (48 U.S.C. 1421i(c)) is amended by striking out "The" and inserting in lieu thereof "Except as provided in section 30(b) of this Act, the".

(c) The first sentence of section 31(d)(2) of the Guam Organic Act (48 U.S.C. 1421i(d)(2)) is amended by striking out "The" and inserting in lieu thereof "Except as provided in section 30(b) of this Act, the".

SEC. 302. The Act of November 4, 1963 (77 Stat. 302), to provide for the rehabilitation of Guam, and for other purposes, is hereby amended as follows:

(1) in the first sentence of section 3, delete the comma after "United States" and delete the words "with interest as set forth below," and

(2) after paragraph (c) of section 3, delete the last paragraph before section 4 and insert in lieu thereof:

"All amounts heretofore withheld from sums collected pursuant to section 30 of the said Organic Act as interest on the amounts made available to the government of Guam pursuant to this Act shall be credited as reimbursement payments by Guam on the principal amount advanced by the United States under this Act.".

SEC. 303. Section 11 of the Organic Act of Guam (64 Stat. 387; 48 U.S.C. 1423a), as amended, is hereby amended by deleting the three sentences which begin with "The Secretary, with the concurrence of the Secretary of the Treasury," and end with the words "Section 30 of this Act (48 U.S.C. 1421h).", and substituting therefor the following language: "The Secretary, upon finding that the Guam Power Authority is unable to refinance the above-mentioned indebtedness by December 31, 1980, shall extend the guarantee provision of this section until December 31, 2010. Such guaranteed bonds or other obligations shall, while outstanding, include a provision for semiannual payments of interest only until December 31, 1990, and thereafter include a provision for quarterly payments of principal. If the Secretary determines, before December 31, 1980, that the Guam Power Authority will not meet its obligation to pay interest, the Secretary shall request the Secretary of the Treasury to deduct such payments from the sum collected and paid to the government of Guam pursuant to section 30 of this Act (48 U.S.C. 1421h). Should the guarantees be extended beyond December 1, 1980, (1) the Secretary of the Treasury shall automatically deduct (and pay to the Federal Financing Bank) such payment of principal from sums collected and paid to the government of Guam pursuant to section 30 of this Act, and (2) Guam Power Authority payments of principal and interest shall be paid to the government of Guam.".

TITLE IV—VIRGIN ISLANDS

SEC. 401. Subsection (f) of section 2 of the Act entitled "An Act to authorize the government of the Virgin Islands to issue bonds in anticipation of revenue receipts and to authorize the guarantee of such bonds by the United States under specified conditions, and for other purposes" (90 Stat. 1193; Public Law 94-392) is amended by striking out "1979" and inserting in lieu thereof "1989".

SEC. 402. Section 28 of the Revised Organic Act of the Virgin Islands (48 U.S.C. 1642 et seq.) is amended by adding at the end thereof the following new subsection:

"(e)(1) The Secretary of the Treasury shall administer and enforce the collection of all customs duties derived from the Virgin Islands and the United States income tax the proceeds of which are covered into the treasury of the Virgin Islands under this section, without cost to the government of the Virgin Islands. Such administration and enforcement shall begin on January 1, 1980.

"(2) The Secretary of the Treasury shall, upon the request of the Governor of the Virgin Islands, administer and enforce the collection of any tax the proceeds of which are covered into the treasury of the Virgin Islands under this section (other than customs duties and the United States income tax to which paragraph (1) applies), without cost to the government of the Virgin Islands.

The administration and enforcement of any such tax shall continue until such time as the Governor of the Virgin Islands, acting pursuant to legislation enacted by the legislature of the Virgin Islands, requests the Secretary to discontinue the administration and enforcement of such tax.

"(3) The Secretary of the Treasury shall take such steps as are necessary to ensure that the proceeds of the United States income tax in force in the Virgin Islands covered into the treasury of the Virgin Islands forthwith.

"(4) The Secretary of the Treasury shall hire and train residents of the Virgin Islands to carry out the administration and enforcement duties required of him under paragraphs (1) and (2).".

SEC. 403. Subsection (b) of section 31 of the Revised Organic Act of the Virgin Islands (48 U.S.C. 1645(b)) as amended, is further amended by numbering the existing paragraph "(1)" and by the addition thereto of the following new paragraph:

"(2) Subject to valid existing rights, title to all property in the Virgin Islands which may have been acquired by the United States from Denmark under the Convention entered into August 16, 1916, not reserved or retained by the United States in accordance with the provisions of Public Law 93-435 (88 Stat. 1210) and parcels 2 and 22 (Estate Upper Bethlehem, Saint Croix, United States Virgin Islands) and parcels 2A and 23 (Fredensborg and Upper Bethlehem, Saint Croix, United States Virgin Islands) and parcel 24 (Estate Body Slob and Upper Bethlehem, Saint Croix, United States Virgin Islands) are hereby transferred to the Virgin Islands government.".

SEC. 404. No extension, renewal, or renegotiation of the lease of real property on Water Island in the Virgin Islands to which the United States is a party shall be made before 1992 without the express approval of the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the Senate.

SEC. 405. (a) Subsection 28(a) of the Revised Organic Act of the Virgin Islands, as amended by section 4(c)(3) of the Act of August 13, 1978 (92 Stat. 487, 491) is amended by inserting after the phrase "and naturalization fees collected in the Virgin Islands," the phrase "less the cost of collecting, except any costs for preclearance operations which shall not be deducted, of all of said duties, taxes, and fees from August 18, 1978, until January 1, 1982.".

(b) Section 4(c)(2) of the Act of August 18, 1978, is amended by inserting the phrase "less the cost of collecting all of said duties, taxes, and fees, occurring before January 1, 1982." after the phrase "the amount of duties, taxes, and fees".

TITLE V—AMERICAN SAMOA

SEC. 501. The salary and expenses of the government comptroller for American Samoa shall be paid from funds to be appropriated to the Department of the Interior.

SEC. 502. The Secretary of the Treasury shall, upon the request of the Governor of American Samoa, administer and enforce the collection of all customs duties derived from American Samoa, without cost to the government of American Samoa. The Secretary of the Treasury, in consultation with the Governor of American Samoa, shall make every effort to employ and train the residents of American Samoa to carry out the provisions of this section. The administration and enforcement of this section shall commence January 1, 1980.

TITLE VI—MISCELLANEOUS

SEC. 601. Title V of the Act entitled "An Act to authorize certain appropriations for the territories of the United States, to amend certain Acts relating thereto, and for other purposes" (91 Stat. 1160) shall be applied with respect to the Department of the Interior by substituting "shall" for "may" in the second place it appears in subsection (a) and in the last sentence of subsection (d).

SEC. 602. (a) Any amount authorized to be appropriated for a fiscal year by this Act or an amendment made by this Act but not appropriated for such fiscal year is authorized to be appropriated in succeeding fiscal years.

(b) Any amount appropriated pursuant to this Act or an amendment made by this Act for a fiscal year but not expended during such fiscal year shall remain available for expenditure in succeeding fiscal years.

SEC. 603. To the extent practicable, services, facilities, and equipment of agencies and instrumentalities of the United States Government may be made available, on a reimbursable basis, to the governments of the territories and possessions of the United States and the Trust Territory of the Pacific Islands. Reimbursements may be credited to the appropriation or fund of the agency or instrumentality through which the services, facilities, and equipment are provided. If otherwise authorized by law, such services, facilities, and equipment may be made available without reimbursement.

SEC. 604. Authorizations of moneys to be appropriated under this Act shall be effective on October 1, 1979.

SEC. 605. Any new borrowing authority provided in this Act or authority to make payments under this Act shall be effective only to the extent or in such amounts as are provided in advance in appropriation Acts.

The SPEAKER pro tempore. Is a second demanded?

Mr. LAGOMARSINO. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California (Mr. PHILLIP BURTON) will be recognized for 20 minutes, and the gentleman from California (Mr. LAGOMARSINO) will be recognized for 20 minutes.

The Chair recognizes the gentleman from California (Mr. PHILLIP BURTON).

GENERAL LEAVE

Mr. PHILLIP BURTON. Mr. Speaker, I ask unanimous consent that all Members may have the balance of this legislative day in which to revise and extend their remarks on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. PHILLIP BURTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today we have before us the annual authorization for the insular areas. These are American Samoa, Guam, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and the Virgin Islands.

Since the current authorization for the trust territory expires at the end of fiscal 1980, the bill extends the authorization to make certain that there is no gap between the time that the authorization expires and the time that the trusteeship is terminated. Also, in connection with the end of the trusteeship, there is one outstanding matter that we still need to resolve.

Part of our responsibility was met last year when the rest of title II claims—those that resulted from actions taken after the United States had secured the islands—was paid out to those Micronesians who were owed damages.

Still remaining to be paid, however, are title I claims and this measure provides that 50 percent of these claims, as determined by the Claims Commission established by the U.S. Congress in 1971, shall be authorized for those people owed this money for the last 35 years.

Additionally, the bill establishes a comprehensive medical program for the people of the atolls of Bikini, Enewetak, Rongelap, and Utirik of the Northern Marshalls. All of these people were victims of U.S. nuclear testing in the Pacific in the 1940's and 1950's. And since it is not known to what extent their health has been impaired, they must be continually monitored and cared for by medical authorities, and this is provided in H.R. 3756.

Because of our special moral responsibility to these people it is intended that this provision be construed in that manner to provide the utmost protection to these people—and that this provision remain valid and subsisting even after the termination of the trusteeship.

For the Northern Mariana Islands, we have authorized funds for a hospital and health care system. Their current hospital facility consists of a number of prefabricated units haphazardly connected and woefully inadequate to meet their health care needs both at present and in the future. Studies done for the Northern Mariana Islands have concluded there is no alternative to this course of action.

For the Northern Marianas, Guam, and the Virgin Islands, the bill directs the Secretary of the Treasury to assume responsibility for administration and enforcement of the collection of Federal income taxes—including any surtax thereon—in these areas. In no way is it intended that there be any kind of retroactive responsibility on the part of the Treasury Department prior to the effective dates in this legislation. What we are seeking with this language, beginning with the dates in the bill, is a highly effective and efficient operation that will probably result in increased revenues for the treasuries of the three governments of these insular areas. Studies done from time to time have shown that there have been lost revenues through inefficient collection and enforcement and therefore our bill hopes to remedy this.

For the Northern Marianas, we authorize the delay of the implementation date for the collection of Federal taxes. The government of the Northern Marianas is a new one and ill-equipped to efficiently administer Federal tax laws. In seeking this delay, we wish to make clear that a local tax law will still be in operation during this time period and that a delay in no way represents a tax loss to the U.S. Treasury since Federal taxes would be covered directly into the Commonwealth treasury. Should anyone think this is an opportunity for them to seek tax havens in the Northern Marianas, the Secretary of the Treasury is directed and the Northern Mariana Islands government is urged to take any

steps necessary to prevent this from occurring. In addition, the Northern Marianas government is directed to take any action necessary to deal locally with any other problems that might temporarily occur because of this delay.

As far as the American Memorial Park in Saipan goes, we include a technical amendment to last year's bill which brings into conformity with other parks the operations and maintenance costs as distinguished from development costs. In no way do we intend by this language to attempt to obtain any interest in this land belonging to the Northern Marianas.

Last year the House approved language that eliminated future interest payments on a Federal loan that was granted to the government of Guam in 1963 to offset both typhoon and World War II damage. Also included in last year's House-approved language was a provision crediting interest payments made to date toward the principal. Once again, we are including this and hopeful that the other body will see its way to helping the government of Guam by approving of it.

Another provision in the Guam section allows the Secretary of the Interior to extend the guarantee provision now in existing law so that the Guam Power Authority will be able to refinance its indebtedness to cover its obligations.

Also, for Guam as well as for the Northern Marianas, the bill authorizes the Secretary of the Treasury to administer and enforce customs in these areas. Guam, in particular, has become the entryway for illegal drug traffic into the United States and this provision is intended to help prevent this from continuing.

In the section on the Virgin Islands, we extend for 10 years an act that expires this year which authorizes the Virgin Islands government to issue bonds.

We also convey title from the U.S. Government to the Virgin Islands government of certain parcels of land no longer needed by us. The Department of Interior requested much of this language of us and so it is included. In no way is this provision to be construed to include Water Island, which is federally owned at present.

As far as Water Island goes, we provide that no extension, renewal, or renegotiation of the master lease can be made prior to 1992 expiration date without the express consent of the House Interior Committee and the Senate Energy and Natural Resources Committee. This is designed to protect the interests of both the United States and Virgin Islands governments.

It was brought to our attention that in last year's omnibus act, language that was intended to have the United States pick up the cost of collecting customs and taxes under 28(a) of the Virgin Islands Revised Organic Act was not having the desired effect. Instead of benefiting the financially hard-pressed Virgin Islands government, we discovered that due to a contract between the Virgin Islands government and Hess Oil, the bulk of the benefits were to go to the oil company. A provision to remedy this situation has been included in this bill.

For American Samoa, we provide that the Federal Comptroller's salary and expenses be paid by the Interior Department. This is the current practice, it should be noted, and we are merely insuring that it be part of statutory law.

Additionally, we provide that customs be administered and enforced by the Secretary of the Treasury, at no cost to the American Samoa government, should the Governor request this service.

And finally, we mandate for the Department of Interior the implementation of title V in the 1977 omnibus territories bill (Public Law 95–134). To date little progress has been made by the Department under the 1977 act. Hence, my colleagues on the committee and I believe this action is necessary. While title V affects all departments and agencies, we are only making it mandatory for the Department of the Interior since it is the lead agency for these insular areas.

Although Mr. WON PAT (Guam) and Mr. EVANS (Virgin Islands) have expressed their opposition to the IRS collection provision, we have bipartisan agreement that this provision is most important and should remain in the bill.

My colleagues and I believe we are offering a good constructive bill for these insular areas and we urge the support of all Members of the House.

Mr. LAGOMARSINO. Mr. Speaker, I yield myself such time as I may consume.

(Mr. LAGOMARSINO asked and was given permission to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Speaker, I rise in support of H.R. 3756. The bill represents the combined efforts and experience of both majority and the minority members of the Committee on Interior and Insular Affairs. Countless hours of discussions with territorial leaders, business representatives, Federal officials and technicians are reflected in its provisions which in summary are as follows:

Section 101 provides authorization for continuance of the government of the Trust Territory of the Pacific Islands. In extending this authorization beyond 1981—the administration's target date for termination of the U.N. trusteeship—we demonstrate our misgivings in the current trend of Micronesia's future political status negotiations and provide the administration with more time in which to reach a settlement, equitable to both America and the Micronesian States.

In 1971, the Congress established a U.S. Claims Commission to ascertain Micronesian World War II claims. $34 million in claims were awarded; however, only $10 million—$5 million by the United States, $5 million by the Japanese—have thus far been paid. An authorization presently exists wherein the United States will pay the remainder when the Japanese meet their share. Thus far, the Japanese have not honored their obligation nor, do they show any indication that they ever will. Accordingly, section 102 permits the United States to pay its share—that is 50 percent—of the $24 million in outstanding claims. In both the 94th and the 95th Congresses, the House passed similar provisions only to be overruled by the other body.

Some of the inhabitants of Bikini, Enewetak, Rongelap, and Utirik were subjected to radiation hazards as a result of U.S. nuclear testing in the Pacific. For the first time, section 103 establishes a comprehensive medical program under the direction of the Secretary to insure proper medical treatment in the future.

As a result of the Micronesian future political status negotiations, the administration has deemed it advisable to terminate all Federal programs to Micronesia by 1981. In our opinion, the administration is too optimistic in believing that a satisfactory conclusion to the negotiations will occur by 1981. Moreover, Federal programs to the Micronesians are a congressional mandate and should not be terminated at the whim of the executive. Consequently, section 104 requires the express permission of Congress to cease the application of Federal programs to the Trust Territory of the Pacific Island.

Section 201 and 501 directs the Secretary of the Interior to pay the salaries and expenses of the Federal comptrollers in the Northern Mariana Islands and Guam. This merely makes a matter of law what has been a matter of practice under executive agreement.

Medical facilities in the Northern Mariana Islands are woefully inadequate and fall below the minimum standard necessary to qualify for HEW programs. Section 202 authorizes $24.4 million—in accordance with a territorial study—to bring health care on a par with other U.S. offshore areas.

Section 203 directs the Secretary of the Treasury to assume responsibility for income tax collection and custom operations in the Northern Marianas. In this regard, I would like to point out here as well as for the other offshore areas in H.R. 3756 that in fairness, residents of the territories will not be held liable for tax irregularities preceding implementation of this legislation.

Under the terms of the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States, residents of the Northern Marianas will abide by the Internal Revenue Code in paying the territorial income tax. Section 204 delays implementation of this provision until January 1, 1982, providing preparation time for the Commonwealth to become familiar with the complex nature of the IRC. In the interim, the local tax code of the Nothern Marianas will continue in effect. In this regard, it is not our intent to create a tax haven in the Northern Marianas. This is especially true for the residents of Guam. We direct the attention of the Secretary of the Treasury to this situation and request his close surveillance of future investment patterns.

Section 205 is a technical amendment which makes clear that title to the park land on Saipan is not transferred to the Federal Government, which would contravene the terms of the covenant, and separates development from operational and maintenance funds.

Section 301 and section 402 direct the Secretary of the Treasury to administer

and enforce the territorial income tax and customs operations in Guam and the Virgin Islands, respectively.

The government of Guam is hard pressed to meet its financial obligations. A Federal loan was granted to Guam in 1963 to offset typhoon damage. Section 302 eliminates interest payments on the loan and credits interest payments previously paid toward the principal. This section, too, received approval of the House in the last Congress.

Upon guarantee of the Secretary of the Interior, the Federal Financing Bank, under previous legislation, is authorized under section 303 to lend the Guam Power Authority up to $36 million to cover obligations. Payments due will be deducted from Guam Organic Act section 30 funds if GPA fails to pay.

Section 401 extends the Federal guarantee of bonds issued by the Virgin Islands from 1979 to 1989.

Section 403 conveys title to several small parcels of land from the U.S. Government to the Virgin Islands government.

Section 404 requires that the master lease on Water Island in the Virgin Islands cannot be extended, renewed or renegotiated before 1992 without the express consent of the House Committee on Interior and Insular Affairs and the Senate Committee on Energy and Natural Resources.

Section 405 amends Public Law 95-348 to alleviate a deficiency, involving customs collections in the Virgin Islands.

Section 601 mandates that all programs administered by the Department of Interior will be apportioned out in block grants, as previously authorized in public law.

Mr. Speaker, H.R. 3756 ameliorates many of the difficulties confronted by Americans living in the offshore areas; accordingly, I urge its unanimous passage.

Mr. Speaker, I yield 3 minutes to the gentleman from the Virgin Islands (Mr. EVANS).

(Mr. EVANS of the Virgin Islands asked and was given permission to revise and extend his remarks.)

Mr. EVANS of the Virgin Islands. Mr. Speaker, I rise in support of H.R. 3756.

First of all, I wish to associate myself with the remarks made by both the gentleman from California (Mr. PHILLIP BURTON) and the gentleman from California (Mr. LAGOMARSINO).

This bill represents a great deal of cooperation and hard work by both the minority and majority members of the committee, including hard work done on the field trip.

I believe the bill serves the interest the United States and the insular areas, and I certainly ask for its adoption.

While this bill deals with most of the territories, my remarks will be confined mostly to the matters pertaining to the Virgin Islands. Authorization granted to the government of the Virgin Islands to issue bonds in anticipation of revenue receipts and to authorize the guarantee of such bonds by the United States will expire this year. This bill extends such guarantee for a period of 10 years, a most necessary condition. Provision for the collection of revenues in the Virgin Islands by the Treasury Department for remittance to the Virgin Islands should result in improved collections. If adequate steps are taken to insure that there is not undue displacement of personnel, this should rebound to the benefit of the Virgin Islands. Several other minor provisions are included, making this bill altogether one that should be beneficial both to the United States as a whole and to the Virgin Islands and territories in particular.

Mr. LAGOMARSINO. Mr. Speaker, will the gentleman yield?

Mr. EVANS of the Virgin Islands. I yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Speaker, I would just like to make one further remark.

I wish also to commend the delegate from the Virgin Islands (Mr. EVANS) for his worthwhile efforts in behalf of this legislation. The gentleman has made an immeasurable contribution to the legislation.

● Mr. CLAUSEN. Mr. Speaker, I rise in support of H.R. 3756, the territorial omnibus bill. This legislation provides authorization for continuance of the Trust Territory government beyond 1980, payment of 50 percent of the outstanding Micronesian war claims and the establishment of an adequate health care system in the Commonwealth of the Northern Mariana Islands. Moreover, it mandates a comprehensive medical program to care for those in the Marshall Islands subjected to hazardous radiation as a result of U.S. nuclear testing in the Pacific. Other provisions of the bill require the U.S. Treasury Department to administer and enforce the collection of the territorial income tax and custom duties in the offshore areas.

Over the past few months, I have worked closely with our subcommittee chairman and other members of the committee as well as with the territorial Governors and legislators in formulating this balanced legislation. In light of the offshore needs, this is a prudent bill and one which I urge my colleagues to support unanimously. ●

● Mr. ZABLOCKI. Mr. Speaker, title I of this bill contains authorizations for the Trust Territory of the Pacific Islands, a trusteeship which the United States received from the United Nations after World War II. Because of this mandate, and the important foreign policy considerations involved in the termination of the trusteeship, the Foreign Affairs Committee has a strong interest in Micronesian legislation. In order to facilitate action on this important legislation, however, the committee did not request referral of this measure, with the understanding that it would not prejudice the jurisdiction of the Committee on Foreign Affairs. A letter to this effect was sent to the Committee on Interior and Insular Affairs, and I thank the gentleman for including it in the committee report on H.R. 3756. The committee has examined the relevant provisions of H.R. 3756, however, and wishes to commend the distinguished chairman of the Interior Committee, the Honorable Mo UDALL, and his committee for their outstanding work on the bill. There are two provisions of the bill which are of particular interest and which deserve wide support.

Mr. Speaker, section 102 of the bill authorizes the United States to pay its share of the outstanding claims under title I of the Micronesian Claims Act of 1971. The 1971 act, which was initiated by the Foreign Affairs Committee, provided for payment of claims by Micronesians who suffered loss of life, physical injury, and extensive property damage as a result of World War II and its aftermath. The authorizations which were provided for title I—war-related claims—and title II—postwar related claims—however, proved to be substantially smaller than the claims awarded by the Micronesian Claims Commission set up by the act to adjudicate claims. All title II claims have been authorized, appropriated, and paid.

On the other hand, only about 25 percent of title I claims have been paid. More than 30 years have passed since the actions producing the claims took place, and many claimants have died. Our Micronesian friends are understandably bitter about this delay. Even the most conservative traditional chiefs, who are extremely reluctant to voice any criticism of the United States, express their unhappiness over this situation. Section 102 of the bill is an important step in remedying this unfortunate state of affairs.

The other provision I consider particularly important is section 104, which provides that Federal programs operating in Micronesia cannot be cut off, either before or after the termination of the trusteeship, without the express approval of Congress. This measure is necessary because of recent executive branch actions. On the premise that the trusteeship will end in 1981, the Interior Department has announced that Federal programs now provided to the trust territory will be phased out starting this year, and be cut to extremely low levels by 1981. Unfortunately, it seems increasingly clear that the conclusion of the political status negotiations to terminate the trusteeship, and the necessary congressional and U.N. approval of the results, will not be achieved by this target date. There is thus the strong possibility that vital programs in health and educaiton, among others, will be virtually eliminated before the issue of political statuts even begins to be resolved.

I have no doubt that some of the programs now operating in the trust territory could be eliminated. Furthermore, it would be prudent to make some cuts in an orderly way before the termination of the trusteeship, to avoid the chaos which would result from a sudden cessation of funds upon termination of the trusteeship agreement. However, I cannot believe that the approach being taken is correct or wise at this point. The question of continuation of Federal programs after termination of the trusteeship is under negotiation, and should not be prejudiced by bureaucratic decisionmaking. These are congressionally authorized programs and should be terminated by the Congress and not some bureaucrat.

Mr. Speaker, this is a serious matter for the Micronesians. The Foreign Affairs Committee has already received

a petition from the district of Ponape on this matter. These are not just 5- or 10-percent cuts. These important and necessary programs are scheduled to be cut by 44 percent between the current fiscal year and fiscal 1980, and a further 25 percent between fiscal 1980 and fiscal 1981. For the next fiscal year they include reductions of 45 percent in education and 40 percent in health programs; all programs for the elderly are to be terminated at the end of fiscal year 1979. The Micronesians cannot possibly afford to fund these programs out of their own revenues, which are extremely limited.

Section 104 does not require the indefinite continuation of any Federal program. It merely requires that the Congress have the opportunity to approve the termination of the programs it has authorized. Of course, we must all make sacrifices in the current mood of austerity. But should we allow these drastic reductions to be imposed on those who cannot speak for themselves in this Chamber, those to whom we have international legal obligations as administering authority of the trusteeship? Is this the way to maintain the good will and friendship of a people whose area covers 3 million square miles in the strategic Western Pacific Ocean? Obviously not.

I urge my colleagues to support these important provisions.

Mr. WON PAT. Mr. Speaker, I rise in support of the bill, H.R. 3756, a bill which authorizes certain funds for Guam and other U.S. territories.

The measure is, I believe, an excellent effort by the full House Interior Committee to tackle the more severe problems facing America's offshore territories. A great deal of credit must go to the chairman of the Subcommittee on National Parks and Insular Affairs, Congressman PHILLIP BURTON, and the leading minority members of the committee, DON CLAUSEN, KEITH SEBELIUS, and BOB LAGOMARSINO, for taking an immense amount of their time and effort to produce this remarkable measure. As a cosponsor of this bill, I am pleased by most provisions in section II of H.R. 3756 which relate to my own congressional district of Guam. Thanks to Mr. BURTON's generous assistance and the understanding and support of the minority members of the committee, we have created what I believe to be a fine measure that will not be inflationary and yet still meets the legitimate needs of the territories.

I do have one reservation about H.R. 3756, however. This deals with that section which provides for a Federal takeover of the income tax collections for Guam and the Virgin Islands by the Federal Government. As presently drafted, this section would unquestionably enhance the general revenue position of Guam by increasing revenue collections and saving the government of Guam an estimated $2.4 million in administrative costs now associated with running a tax department.

Yet, some have raised legitimate questions about the importance of the local government retaining control over the entire process of income tax collections. Under the present language, this bill would encroach in this area of local jurisdiction. While this is not the main intent of the overall language of this section, I am in complete agreement with local Guam officials, including our Governor, who believe that they must retain jurisdiction over the tax process to the fullest extent possible.

I therefore am prepared to ask that the U.S. Senate amend the appropriate section to leave the control of tax collections in the hands of the Governor in favor of some modified language which would still provide greatly increased Federal assistance to Guam in the area of tax collections. I am convinced that Guam does require help in this area. For too long, we have been running far behind in tax collections. Too many have escaped paying their taxes and this must be halted. I have long believed that it is unfair for the U.S. Government to retain the ability to take Guam entirely in its hands while binding Guam with the burden of administrating tax laws it cannot change.

I ask for the continued support of my colleagues as we seek a solution to this vexing problem. Thank you.

Mr. PHILLIP BURTON. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. PHILLIP BURTON) that the House suspend the rules and pass the bill, H.R. 3756, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

AMENDING DATE THAT SECTION OF COVENANT TO ESTABLISH A COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS BECOMES EFFECTIVE

Mr. PHILLIP BURTON. Mr. Speaker, I call up the bill (H.R. 3758) to amend the date that section 601 of the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America becomes effective, and ask unanimous consent for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the bill as follows:

H.R. 3758

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of section 1003 of the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America, approved March 24, 1976 (90 Stat. 263), the provisions of section 601 of said Covenant shall not take effect until January 1, 1982.

The SPEAKER pro tempore. The gentleman from California (Mr. PHILLIP BURTON) is recognized.

(Mr. PHILLIP BURTON asked and was given permission to revise and extend his remarks.)

GENERAL LEAVE

Mr. PHILLIP BURTON. Mr. Speaker, I ask unanimous consent that all Members may have the balance of this legislative day in which to revise and extend their remarks on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. PHILLIP BURTON. Mr. Speaker, today we have before us the annual authorization for the insular areas. These are American Samoa, Guam, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and the Virgin Islands.

Since the current authorization for the trust territory expires at the end of fiscal 1980, the bill extends the authorization to make certain that there is no gap between the time that the authorization expires and the time that the trusteeship is terminated. Also, in connection with the end of the trusteeship, there is one outstanding matter that we still need to resolve.

Part of our responsibility was met last year when the rest of title II claims—those that resulted from actions taken after the United States had secured the islands—was paid out to those Micronesians who were owed damages.

Still remaining to be paid, however, are title I claims and this measure provides that 50 percent of these claims, as determined by the Claims Commission established by the U.S. Congress in 1971, shall be authorized for those people owed this money for the last 35 years.

Additionally, the bill establishes a comprehensive medical program for the people of the atolls of Bikini, Enewetak, Rongelap, and Utirik of the Northern Marshalls. All of these people were victims of U.S. nuclear testing in the Pacific in the 1940's and 1950's. And since it is not known to what extent their health has been impaired, they must be continually monitored and cared for by medical authorities, and this is provided in H.R. 3756.

For the Northern Mariana Islands, we have authorized funds for a hospital and health care system. Their current hospital facility consists of a number of prefabricated units haphazardly connected and woefully inadequate to meet their health care needs both at present and in the future. Studies done for the Northern Mariana Islands have concluded there is no alternative to this course of action.

For the Northern Marianas, Guam, and the Virgin Islands, the bill directs the Secretary of the Treasury to assume responsibility for administration and enforcement of the collection of Federal income taxes in these areas. In no way is it intended that there be any kind of retroactive responsibility on the part of the Treasury Department prior to the

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96TH CONGRESS, 1st Session | SENATE | REPORT No. 96-467

OMNIBUS TERRITORIES LEGISLATION

DECEMBER 7 (legislative day, NOVEMBER 29), 1979.—Ordered to be printed

Mr. JACKSON, from the Committee on Energy and Natural Resources, submitted the following

REPORT

[To accompany H.R. 3756]

The Committee on Energy and Natural Resources, to which was referred the Act (H.R. 3756) to authorize appropriations for certain insular areas of the United States, and for other purposes, having considered the same, reports favorably thereon with an amendment and recommends that the act as amended do pass.

The amendment is as follows:

Strike all after the enacting clause and insert in lieu thereof the following:

TITLE I—TRUST TERRITORY OF THE PACIFIC ISLANDS

SEC. 101. Section 2 of the Act of June 30, 1954 (68 Stat. 330) is amended by inserting after "for fiscal year 1980, $112,000,000;" the following: "for fiscal years after fiscal year 1980, such sums as may be necessary, including, but not limited to, sums needed for completion of the capital improvement program, for a basic communications system, and for a feasibility study and construction of a hydroelectric project on Ponape.".

SEC. 102. The Act entitled "An Act to authorize certain appropriations for the territories of the United States, to amend certain Acts relating thereto, and for other purposes" (91 Stat. 1159; Public Law 95-134) is amended—

(1) in subsection 104(a), by striking out paragraph (4) and redesignating paragraph (5) as paragraph (4); and

(2) by inserting after section 105, the following new section:

"SEC. 106. (a) In addition to any other payments or benefits provided by law to compensate inhabitants of the atolls of Bikini, Enewetak, Rongelap, and Utirik, in the Marshall Islands, for radiation exposure or other losses sustained by them as a result of the United States nuclear weapons testing program at or near their atolls during the period 1946 to 1958, the Secretary of the Interior (hereinafter in this section referred to as the "Secretary") shall provide for the people of the Atolls of Bikini, Enewetak, Rongelap, and Utirik and for the people of such other atolls as may be found to be or to have been exposed to radiation from the nuclear weapons testing program a program of medical care and treatment and environmental research and monitoring for any injury, illness, or condition which may be the result directly or indirectly of such nuclear weapons

testing program. The program shall be implemented according to a plan developed by the Secretary in consultation with the Secretaries of Defense, Energy and Health, Education, and Welfare and with the direct involvement of representatives from the people of each of the affected atolls and from the government of the Marshall Islands. The plan shall set forth, as appropriate to the situation, condition, and needs of the individual atoll peoples:

"(1) an integrated, comprehensive health care program including primary, secondary, and tertiary care with special emphasis upon the biological effects of ionizing radiation;

"(2) a schedule for the periodic comprehensive survey and analysis of the radiological status of the atolls to and at appropriate intervals, but not less frequently than once every five years, the development of an updated radiation dose assessment, together wit han estimate of the risks associated with the predicted human exposure, for each such atoll; and

"(3) an education and information program to enable the people of such atolls to more fully understand nuclear radiation and its effects;

"(b)(1) The Secretary shall submit the plan to the Congress no later than January 1, 1981 together with his recommendations, if any, for further legislation. The plan shall set forth the specific agencies responsible for implementing the various elements of the plan. With respect to general health care the Secretary shall consider, and shall include in his recommendations, the feasibility of using the Public Health Service. After consultation with the Chairman of the National Academy of Sciences, the Secretary of Energy, the Secretary of Defense, and the Secretary of Health, Education, and Welfare, the Secretary shall establish a scientific advisory committee to review and evaluate the implementation of the plan and to make such recommendations for its improvement as such committee deems advisable.

"(2) At the request of the Secretary, any Federal agency shall provide such information, personnel, facilities, logistical support, or other assistance as the Secretary deems necessary to carry out the functions of this program; the costs of all such assistance shall be reimbursed to the provider thereof out of the sums appropriated pursuant to this section.

"(3) All costs associated with the development and implementation of the plan shall be assumed by the Secretary of Energy and effective October 1, 1980, there are authorized to be appropriated to the Secretary of Energy such sums as may be necessary to achieve the purposes of this section.

"(c) The Secretary shall report to the appropriate committee of the Congress, and to the people of the affected atolls annually, or more frequently if necessary, on the implementation of the plan. Each such report shall include a description of the health status of the individuals examined and treated under the plan, an evaluation by the scientific advisory committee, and any recommendations for improvement of the plan. The first such report shall be submitted not later than January 1, 1982.".

SEC. 103. Paragraph 104(a)(3) of Public Law 95-134 (91 Stat. 1159) is hereby amended by deleting all after the word "cause" and inserting in lieu thereof the following words, ", even if such an individual has been compensated under paragraph (1) of this section.".

TITLE II—NORTHERN MARIANA ISLANDS

SEC. 201. (a) The salary and expenses of the government comptroller for the Northern Mariana Islands shall be paid from funds appropriated to the Department of the Interior.

(b) Section 4 of the Act of June 30, 1954 as amended by section 2 of Public Law 93-111 (87 Stat. 354) is further amended as follows:

(1) Strike the words "government of the Trust Territory of the Pacific Islands" wherever they appear and insert in lieu thereof the words "governments of the Trust Territory of the Pacific Islands or the Northern Mariana Islands,";

(2) After the words "High Commissioner of the Trust Territory of the Pacific Islands" insert the words "or Governor of the Northern Mariana Islands, as the case may be,";

(3) Wherever the words "High Commissioner" appear and are not followed by the words "of the Trust Territory of the Pacific Islands" insert the words "or Governor, as the case may be,"; and

(4) After the words "District Court of Guam" insert the words "or District Court of the Northern Mariana Islands, as the case may be".

SEC. 202. Effective October 1, 1980, there are hereby authorized to be appropriated to the Secretary of the Interior $24,400,000 plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in construction costs from October 1979 price levels as indicated by engineering cost indexes applicable to the types of construction involved, for a grant to the Commonwealth of the Northern Mariana Islands to provide for health care services. No grant may be made by the Secretary of the Interior pursuant to this section without the prior approval of the Secretary of Health, Education and Welfare.

SEC. 203. Subsection (g) of section 5 of the Act entitled "An Act to authorize appropriations for certain insular areas of the United States, and for other purposes", approved August 18, 1978 (92 Stat. 492), is amended by changing "not to exceed $3,000,000" to "such sums as may be necessary, but not to exceed $3,000,000 for development,".

TITLE III—GUAM

SEC. 301. Subsection (c) of section 204 of Public Law 95–134 (91 Stat. 1159, 1162) is amended by deleting the second sentence of said subsection.

SEC. 302. The Act of November 4, 1963 (77 Stat. 302), to provide for the rehabilitation of Guam, and for other purposes, is hereby amended as follows:

(1) In the first sentence of section 3, delete the comma after "United States" and delete the words "with interest as set forth below," and

(2) After paragraph (c) of section 3, delete the last paragraph before section 4 and insert in lieu thereof:

"All amounts heretofore withheld from sums collected pursuant to section 30 of the said Organic Act as interest on the amounts made available to the government of Guam pursuant to this Act shall be credited as reimbursement payments by Guam on the principal amount advanced by the United States under this Act.".

SEC. 303. Section 11 of the Organic Act of Guam (64 Stat. 387; 48 U.S.C. 1423a), as amended, is hereby amended by deleting all after the words "December 31, 1980.", and substituting the following language:

"The Secretary, upon determining that the Guam Power Authority is unable to refinance on reasonble terms the obligations purchased by the Federal Financing Bank under the fifth sentence of this section by December 31, 1980, may, with the concurrence of the Secretary of the Treasury, guarantee for purchase by the Federal Financing Bank; and such bank is authorized to purchase, obligations of the Guam Power Authority issued to refinance the principal amount of the obligations guaranteed under the fifth sentence of this section. The obligations that refinance such principal amount shall mature not later than December 31, 1990, and shall bear interest at a rate determined in accordance with section 6 of the Federal Financing Bank Act (12 U.S.C. 2285). Should the Guam Power Authority fail to pay in full any installment of interest or principal when due on the bonds or other obligations guaranteed under this section, the Secretary of the Treasury, upon notice from the Secretary, shall deduct and pay to the Federal Financing Bank or the Secretary, according to their respective interests, such unpaid amounts from sums collected and payable pursuant to Section 30 of this Act (48 U.S.C. 1421h). Notwithstanding any other provision of law, Acts making appropriations may provide for the withholding of any payments from the United States to the Government of Guam which may be or may become due pursuant to any law and offset the amount of such withheld payments against any claim the United States may have against the Government of Guam or the Guam Power Authority pursuant to this guarantee. For the purpose of this Act, under Section 3466 of the Revised Statutes (31 U.S.C. 191) the term 'person' includes the Government of Guam and the Guam Power Authority. The Secretary may place such stipulations as he deems appropriate on the bonds or other obligations he guarantees."

SEC. 304. The provisions of sections 111 and 123(a)(2) of the Clean Air Act (42 U.S.C. 7411 and 7423 (a)(2)) shall not apply to the Guam Power Authority.

TITLE IV—VIRGIN ISLANDS

SEC. 401. (a) Subsection (b) of section 31 of the Revised Organic Act of the Virgin Islands (48 U.S.C. 1545(b)) as amended, is further amended by numbering the existing paragraph "(1)" and by the addition thereto of the following new paragraph:

"(2) Subject to valid existing rights, title to all property in the Virgin Islands which may have been acquired by the United States from Denmark under the

Convention entered into August 16, 1916, not reserved or retained by the United States in accordance with the provisions of Public Law 93-435 (88 Stat. 1210) is hereby transfterred to the Virgin Islands government.".

(b) The General Services Administration shall release from the mortgage dated January 26, 1922, given by the Government of the Virgin Islands to the Administrator of the General Services Administration, approximately ten acres of such mortgaged land for construction of the proposed St. Croix armory upon payment by the Government of the Virgin Islands of the outstanding principal due on such ten acres.

SEC. 402. No extension, renewal, or renegotiation of the lease of real property on Water Island in the Virgin Islands to which the United States is a party may be entered into before 1992 unless such extension, renewal, or renegotiation is specifically approved by Act of Congress.

SEC. 403. (a) Subsection 28(a) of the Revised Organic Act of the Virgin Islands, as amended by subsection 4(c)(3) of the Act of August 18, 1978 (92 Stat. 487, 491) is amended by inserting after the phrase "and naturalization fees collected in the Virgin Islands," the phrase "less the cost of collecting, except any costs for preclearance operations which shall not be deducted, of all of said duties, taxes, and fees from August 18, 1978, until January 1, 1982,".

(b) Section 4(c)(2) of the Act of August 18, 1978, is amended by inserting the phrase "less the cost of collecting all of said duties, taxes, and fees, occurring before January 1, 1982," after the phrase "the amount of duties, taxes and fees" wherever the latter phrase appears.

SEC. 404. Subsection (d) of section 4 of Public Law 95-348 (92 Stat. 487, 491) is hereby repealed.

TITLE V—AMERICAN SAMOA

SEC. 501. The salary and expenses of the government comptroller for American Samoa shall be paid from funds apropriated to the Department of the Interior.

SEC. 502. The Secretary of the Treasury shall, upon the request of the Governor of American Samoa, administer and enforce the collection of all customs duties derived from American Samoa, without cost to the government of American Samoa. The Secretary of the Treasury, in consultation with the Governor of American Samoa, shall make every effort to employ and train the residents of American Samoa to carry out the provisions of this section. The Administration and enforcement of this section shall commence October 1, 1980.

TITLE VI—MISCELLANEOUS

SEC. 601. Title V of the Act entitled "An Act to authorize certain appropriations for the territories of the United States, to amend certain Acts relating thereto, and for other purposes" (91 Stat. 1160) shall be applied with respect to the Department of the Interior by substituting "shall" for "may" in the last sentence of subsection (d).

SEC. 602. (a) Any amount authorized to be appropriated for a fiscal year by this Act or an amendment made by this Act but not appropriated for such fiscal year is authorized to be appropriated in succeeding fiscal years.

(b) Any amount appropriated pursuant to this Act or an amendment made by this Act for a fiscal year but not expended during such fiscal year shall remain available for expenditure in succeeding fiscal years.

SEC. 603. To the extent practicable, services, facilities, and equipment of agencies and instrumentalities of the United States Government may be made available, on a reimbursable basis, to the governments of the teritories and possessions of the United States and the Trust Territory of the Pacific Islands. Reimbursements may be credited to the appropriation or fund of the agency or instrumentality through which the services, facilities, and equipment are provided. If otherwise authorized by law, such services, facilities, and equipment may be made available without reimbursement.

SEC. 604. Any new borrowing authority provided in this Act or authority to make payments under this Act shall be effective only to the extent or in such amounts as are provided in advance in appropriation Acts.

SEC. 605. (a) Prior to the granting of any license, permit, or other authorization or permission by any agency or instrumentality of the United States to any person for the transportation of spent nuclear fuel or high-level radioactive waste for interim, long-term, or permanent storage to or for the storage of such fuel or waste on any territory or possession of the United States, the Secretary of the Interior is directed to transmit to the Congress a detailed report on the

proposed transportation or storage plan, and no such license, permit, or other authorization or permission may be granted nor many any such transportation or storage occur unless the proposed transportation or storage plan has been specifically authorized by Act of Congress: *Provided*, That the provisions of this section shall not apply to the cleanup and rehabilitation of Bikini and Enewetak Atolls.

(b) For the purpose of this section, the words "territory or possession" include the Trust Territory of the Pacific Islands and any area not within the boundaries of the several States over which the United States claims or exercises sovereignty.

SEC. 606. (a) Section 8 of the Act of March 2, 1917 ("Jones Act"), as amended (48 U.S.C. § 749) is amended by adding the following after the last sentence thereof:

"Notwithstanding any other provision of law, as used in this section (1) submerged lands underlying navigable bodies of water include lands permanently or periodically covered by tidal waters up to but not above the line of mean high tide, all lands underlying the navigable bodies of water in and around the island of Puerto Rico and the adjacent islands, and all artificially-made, filled in or reclaimed lands which formerly were lands beneath navigable bodies of water; (2) 'navigable bodies of water and submerged lands underlying the same in and around the island of Puerto Rico and the adjacent islands and waters' extend from the coast line of the islands of Puerto Rico and the adjacent islands as heretofore or hereafter modified by accretion, erosion or reliction, seaward to a distance of three marine leagues; (3) 'control' includes all right, title and interest in and to and jurisdiction and authority over the submerged lands underlying the harbor areas and navigable streams and bodies of water in and around the island of Puerto Rico and the adjacent islands and waters, and the natural resources underlying such submerged lands and waters, and includes proprietary rights of ownership, and the rights of management, administration, leasing, use and development of such natural resources and submerged lands beneath such waters.".

(b) Section 7 of the Act of March 2, 1917, ("Jones Act"), as amended, (48 U.S.C. § 747) is amended by adding the following after the last sentence thereof:

"Notwithstanding any other provision of law, as used in this section 'control' includes all right, title and interest in and to and jurisdiction and authority over the aforesaid property and includes proprietary rights of ownership, and the rights of management, administration, leasing, use and development of such property."

PURPOSE OF THE MEASURE

The purpose of H.R. 3756 is to provide a series of necessary authorizations, technical and clarifying amendments, and program extensions or modifications for the Trust Territory of the Pacific Islands, Commonwealth of the Northern Mariana Islands, Guam, the Virgin Islands, American Samoa, and Puerto Rico.

SUMMARY OF MAJOR PROVISIONS

TITLE I—TRUST TERRITORY OF THE PACIFIC ISLANDS

This title authorizes appropriations for the civil government of the Trust Territory for fiscal year 1981 and beyond; modifies the present program for environmental monitoring of and health care for those populations affected by radiation from the United States Nuclear Testing Program; and clarifies the existing program to compensate victims of radioactive fallout from the testing program.

TITLE II—NORTHERN MARIANA ISLANDS

This title authorizes funds for health care needs of the residents of the Northern Mariana Islands and makes technical and clarifying amendments.

and judicial functions; authorizations for civil governance, including public works, education, transportation, medical care, internal revenue and custom collections; and any other matter not prohibited by the Constitution.

The major insular areas over which the Committee has jurisdiction include American Samoa, Guam, Puerto Rico, the Virgin Islands, and the Trust Territory of the Pacific Islands (which includes the Commonwealth of the Northern Mariana Islands until termination of the Trusteeship Agreement).

TITLE I—TRUST TERRITORY OF THE PACIFIC ISLANDS

Description: The Trust Territory of the Pacific Islands is comprised of the Micronesian island group of the Marshalls, Caroline, and Marianas (except for Guam, which is an unincorporated territory of the United States). The far western boundary of the area is only 500 miles from the Philippines and Hawaii is some 1,800 nautical miles from the eastern border. The 2,100 islands of the Trust Territory cover an ocean area approximatly the size of the continental United States with a land area of 516 square miles. Only about 100 of the islands are inhabited with a population of 132,350.

The Trust Territory is administered by the United States pursuant to a trusteeship agreement with the United Nations dated July 18, 1947.

Section Analysis And Discussion Of Amendments

Sec. 101. This section provides an open end authorization for the civil governance of the Trust Territory for fiscal years 1981 and beyond.

Historically the Committee has provided specific funding levels for the Trust Territory as an indication to the Appropriations Committees of what we consider to be appropriate levels of funding and also as an aid to the Micronesians in obtaining full funding for both operations and capital improvement programs. The Administration, over the last several years, has resisted full funding, especially of major capital projects and has opposed specific authorization ceilings.

The committee has departed from that traditional approach due to the anticipated termination of the Trusteeship by 1981. Subsequent to termination, funding levels will be governed by the appropriate agreements with Palau, the Federated States of Micronesia, and the Marshall Islands Government as those agreements are approved by this Committee and the Congress. Open-end, open-year authorization was supported by the witnesses from the trust territory and the Administration as well as the House. In light of the Administration's constant deferral of necessary components of the capital improvement program and unwillingness to consider any new projects, however beneficial, the Committee has specifically noted that this authorization includes funds for completion of the capital improvement program, a basic communications system, and for a feasibility study and construction of a hydroelectric facility on Ponape. The Committee wishes to emphasize that the specific inclusion of these three items is not in any manner a limitation on the purposes for which appropriations may be made. There are certain necessary expenditures which will occur as a result of transition and the transfer of operations from the Trust Territory headquarters to the individual states, including capital facilities. In addition, the possible resettlement of Emjebe island in the Enewetak Atoll could require additional sums, and most certainly relocation of

the Bikini people will require additional expenditures. The Committee has noted the three specific items only to emphasize their importance.

The United States has been committed to the completion of a basic infrastructure in the Trust Territory sufficient to enable the Micronesian states to provide basic services and develop local economies. The uncertain and undefined nature of a basic infrastructure together with complaints about and diseconomies in the management of the public works program led to a comprehensive investigation and oversight by this Committee in 1974–75. As a result of that investigation, the Department of the Interior, together with the Navy officer in charge of construction, prepared a systematic development program. The program has not, however, been fully implemented, although this Committee and the Congress have approved full funding. Delays and deferrals of individual projects have increased costs and in some instances restricted the scope of the projects themselves. As a result, the Committee feels compelled to note that completion of the capital improvement program is specifically authorized.

Although the United States has endeavored to prevent further political fragmentation of the Trust Territory, such fragmentation is all but inevitable absent a basic and dependable communications system. There is no guarantee that such a system will in fact prevent further fragmentation, but its absence will make political federation exceedingly difficult.

The Ponape hydroelectric authorization is based on a staff investigation conducted last year on Ponape. The staff report concluded that of all potential sites visited, only the site on the Nanepil River warranted further investigation. The site had been used by the Japanese during the Mandate to supply the town of Kolonia. The staff report concluded that in investment of $12 million could produce a facility generating over four million Kilowatt hours annually. At present, Ponape as well as all other districts, is totally dependent on imported oil, the costs of which are consuming an ever increasing share of the local operations budget.

Sec. 102. This section clarifies section 104(a)(4) of Public Law 95–134 which required the Secretary of the Interior to provide medical care and treatment for the population exposed to the fallout from the March 1, 1954 "Bravo" thermonuclear test at Bikini by adding a more detailed provision describing a program of environmental monitoring and health care.

Due to uncertainty raised by the Budget Committee over whether this section authorized a new program (despite the 25 years of health care treatment and environmental monitoring under existing authorizations) the Committee made the authorization in the new section 106(b)(3) effective October 1, 1980. The Committee did *not* delete the existing mandate and authorization of section 104(a)(4). The Committee expects the Secretary to immediately begin the development of the comprehensive health care and environmental monitoring plan as provided in this section using existing authorities.

Although only a few hundred people are affected, the situation at the individual atolls differ considerably; and it is important that a plan be developed which recognizes the different situations. For example, the people at Rongelap were exposed directly to excessive levels of radiation and are developing a series of radiation related diseases. The people of Bikini on the other hand have a potential problem from

exposure during their stay on Bikini prior to their emergency evacuation last year. The people of Enewetak on the other hand will not return to Enewetak until next year, and although health care itself is not necessary at this time, extensive radiological monitoring is essential to prevent a reoccurrence of the Bikini situation. Accordingly, the provision as passed by the House was redrafted to require the Secretary of the Interior to develop a comprehensive plan which will recognize the different needs of the individual atolls and which assigns appropriate responsibility for environmental monitoring and research and health care between the Department of Energy, Department of Defense, and Department of HEW. As with the previous legislation, the amendment provides for the Department of Energy to assume all costs associated with this program since the program is itself a result of the nuclear testing program and its costs should be reflected in the agency budget for that agency which was ultimately responsible for the testing program. The provision also specifically notes the possibility of use of the Public Health Service as a way to provide general health care for the affected populations.

All such costs, consistent with section 104(a)(4) and the new section 106 are to be borne by the Department of Energy. Only to the extent that section 106 authorizes anything which the Secretary can not already do pursuant to section 104(a)(4) or other authorization, including the general authorities and responsibilities for the civil governance of the Trust Territory, is the delay on authorizations in section 106(b)(3) to be a limitation. It is *not* the intent of the Committee to delay any requirement of section 106 as it is the view of the Committee that all provisions are already authorized, although perhaps not mandated.

Sec. 103. This section adopts an Administration proposed amendment which would provide additional compensation for a limited number of nuclear fallout victims. The Departmental report provided the following justification:

"Section 104 of Public Law 95–134, paragraph a(1), provided for the compensation to the inhabitants of Rongelap Atoll and Utirik Atoll for removal of the thyroid gland or a neurofibroma in the neck or the development of hypothyroidism or a radiation-related malignancy that may have arisen due to radiation exposure sustained as a result of a thermonuclear detonation at Bikini Atoll in the Marshall Islands on March 1, 1954. At the time Public Law 95–134 (H.R. 6550) was being considered, all concerned with the problem of the fallout victims believed that section 104 of H.R. 6550 covered all potential cases for compensation.

"Recently, however, several cases which warrant additional compensation have been called to our attention. These cases involve individuals who have already received compensation under section 104(a)(1) of Public Law 95–134. In the opinion of the Administration, these individuals should receive additional compensation. However, this Department's Solicitor has determined that one of the individuals is not entitled to receive additional payments under section 104(a)(3) of Public Law 95–134, since she received compensation under section 104(a)(1).

"Two of these individuals were compensated under section 104(a)(1) for one condition and later developed another condition listed in section 104(a)(1). The third individual of whom we are aware had

her parathyroid glands removed in error at the U.S. Naval Hospital in Guam. It was her thyroid gland which should have been removed because of her exposure to radioactive material which fell on Rongelap in 1954. The parathyroidectomy presents a more serious condition than a thyroidectomy with more serious consequences.

"In view of the very special circumstances surrounding these cases, the Administration requests that the Secretary be authorized to grant additional compassionate compensation."

The committee has no objection to the amendment since its purpose is ostensibly to fulfill the original intent of Congress and accordingly the committee has adopted the amendment even though we believe the Solicitor's interpretation to be in error.

In adopting the provisions for title I, the committee deleted two provisions from the House enacted measure. The first provision would have authorized the payment of 50 percent of the remaining unpaid awards under title I of the Micronesian War Claims Act. Section 105 of Public Law 95-134 provides for such payment conditioned on the Government of Japan making an identical payment. That provision represented a compromise with the House and a significant departure from this committee's position in opposition to any further payments under title I. The committee sees no reason to even consider any further modification absent fulfillment of the condition precedent contained in Public Law 95-134.

The second provision which was deleted would have mandated the extension of all Federal programs presently available to the Trust Territory both until and after termination of the trusteeship. The reason for this provision was to frustrate administration efforts to terminate the participation of the Trust Territory in various federal programs. The stated reason for this termination was to anticipate the status agreements and effect a transition to that status. The committee emphatically agrees with the intent of the House provision, but deleted the provision since it would do no more than restate existing law. The executive branch has the responsibility to see that the laws are faithfully enforced not to anticipate congressional consideration of a status agreement still under negotiation. The United States has a continuing responsibility under the Trusteeship Agreement to provide for the general welfare of the inhabitants of the various islands. This responsibility is not served by frustrating the congressional intent in extending legislation or by prejudging future Congressional action. To the extent that the Administration has discretion in the participation of the Trust Territory in a given program, that discretion should be exercised only in terms of the U.S. responsibility under the Trusteeship Agreement based on whether the program is beneficial or not. Some programs may, in fact, be counter-productive or even harmful given the fragility of the local economies, and participation should be discouraged. The committee notes that the administration could always notify the Congress of the problems associated with a particular program and request an amendment to exclude the Trust Territory. The committee emphasizes that neither anticipation of the eventual content of status agreements nor prophecies of Congressional disposition of such agreements is a basis for administration of the Trust Territory. The committee expects that discretion, where delegated, is to be exercised for the benefit of the inhabitants not in order to prejudge and effect Congressional action.

TITLE II—NORTHERN MARIANA ISLANDS

Description.—At the termination of the Trusteeship Agreement, the Northern Mariana Islands will become a commonwealth in political union with the United States. At the present time the Northern Marianas is still legally part of the Trust Territory of the Pacific Islands, although its government is wholly separate. The Covenant which provides for the commonwealth status was enacted by Congress on March 24, 1976 (P.L. 94-241, 90 Stat. 263). Constitutional government for the Northern Mariana Islands was inaugurated in January 1978.

The Northern Mariana Islands consists of all of the islands in the Mariana Island chain with the exception of Guam, the southernmost of the group. The Northern Marianas extend some 340 miles north to south, are comprised of 13 single islands and one atoll of three islands (Maug), and are approximately 1,500 miles south of Tokyo and 3,600 miles west-southwest of Honolulu. The population is approximately 16,000.

Section Analysis and Discussion of Amendments

Sec. 201.—This section directs the Department of the Interior to absorb the costs of the Government Comptroller for the Northern Marianas. Since this is presently the policy, the section is strictly technical and conforming amendments offered by the administration were adopted. The federal comptroller provides a necessary and important function not only in monitoring the use and expenditure of federal funds but also in providing technical assistance to the territories.

Sec. 202.—This section authorizes not to exceed $24.4 million for health care services. The committee recognizes that improved facilities are needed, but notes that the recent acquisition of the Medical Center of the Marianas on Guam offers considerable capacity for health care. The committee expects that the Secretary will discuss the precise needs of the Marianas with the Secretary of HEW and will formulate a plan which will integrate the health care services of Guam and the Marianas so as to provide the optimum care for each.

Sec. 203.—This section effects a technical amendment to conform the authorization for the National Park Service management of the American War Memorial Park in Saipan with other park authorizations. No sums are authorized by this section since the National Park Service already has general authority and responsibility pursuant to the 1916 Organic Act.

The committee deleted provisions of the House passed measure which would have delayed the application of the Federal Internal Revenue Laws to the Marianas and provided for the Secretary of Treasury to administer and enforce the local territorial tax. While the committee is concerned over the recent Comptroller Reports on tax administration in Guam and the Virgin Islands and is equally concerned over the implications of the recent actions of the Marianas to institute a local tax system which would increase local revenues, the committee believes that the entire question of the fiscal accountability of the territorial governments and the financial relationship of the territories to the Federal Government (including the mirror tax) is best left to separate hearings. Accordingly, these provisions were deleted from the bill and deferred for future consideration.

The committee received testimony concerning the situation of the M. V. Olwol and the application of the Fisheries Conservation and Management Act and other coastwise and fisheries legislation to the Northern Marianas. The Committee understands the concern of the Marianas to find itself suddenly subject to legislation from which it had specifically been exempted under the Covenant. The committee also finds the inability of the Department of the Interior to defend the insular areas under its jurisdiction from misapplication of law by other agencies particularly disturbing. The situation of the M. V. Olwol is particularly distressing: acquired from Japan as part of the war reparations negotiated by the United States on behalf of the Micronesians, it can not be used by the Marianas since it is a foreign built vessel whose use is prohibited by laws made inapplicable to the Marianas under the Covenant. The Covenant is not a "Catch-22" for the Marianas and should not be so interpreted. The committee fully anticipates the Marianas succeeding in the present litigation over the Olwol and other vessels and recommends that the Secretary begin to survey other Federal legislation and regulations which should be inapplicable either because they have not been extended or which are counter-productive and should be withdrawn.

TITLE III—GUAM

Description.—Guam is an unincorporated, organized territory of the United States. Guam lies approximately 3,700 miles west of Hawaii. The capital, Agana, is locted on the west central coast of the 32 mile long island. The territory contains 255 square miles of land area and has a population of approximately 100,000 of which 20,000 are military personnel.

Guam was ceded by Spain to the United States December 10, 1898 by the Treaty of Paris following the Spanish-American War. It was administered by the U.S. Navy until 1950 and since then by the Department of the Interior. Pursuant to the Organic Act of 1950 and subsequent amendments, Guam is self-governing with popular election of both the Governor and the legislature.

Section Analysis and Discussion of Amendments

Sec. 301.—This section removes the prohibition on interest on judgments under the Guam Land Claims provisions of Public Law 95–134.

Public Law 95–134, enacted in 1977, granted jurisdiction to the District Court of Guam to review claims of persons, their heirs, or legatees from whom interests in land on Guam were acquired other than through judicial condemnation proceedings by the United States between July 21, 1944, and August 23, 1963. The Court was authorized to award fair compensation only in those instances where it was determined that less than fair market value had been paid to the land owner as a result of either duress, unfair influences, or other unconscionable actions or unfair, unjust, and inequitable actions of the United States.

At the urging of Congressman Won Pat, the Committee has reconsidered the prohibition in light of the requirement that the plaintiff prove actual fraud or duress on the part of the United States. The Committee believes that if the plaintiff can affirmatively show such unconscionable action by the United States, he should be entitled to interest on the additional sums awarded.

Sec. 302.—This section would forgive the interest on loans made to Guam to assist in the rehabilitation of the island due to damage caused by World War II and Typhoon Karen and credit the interest paid against the outstanding principal.

In 1963, a loan of $41.5 million was made to Guam of which Guam has repaid $5.9 million as well as $18.1 million in interest. Especially in light of recent disaster relief efforts, such as the rehabilitation authorization for Typhoon Pamela, which have been in the form of grants, the Committee believes that interest should not be required.

Sec. 303.—This section of the House bill would extend for 30 years the loan guarantee provision for the Guam Power Authority and provide a complicated formula whereby the Secretary of the Interior would deduct principal payments from the section 30 revenues covered over into the Guam Treasury while the Guam Power Authority would pay principal and interest to the Government of Guam. The Guam Power Authority opposes a 30-year provision and requests only a 10 year extension. Guam Power Authority also opposes having payments deducted from the section 30 revenues desiring rather to pay its obligations itself. Guam Power Authority also requests that interest be set by the Federal Financing Back Bank at current market rates rather than having the advantage of current Treasury rates. The objective of the Guam Power Authority is to enter into the private markets as soon as possible and accordingly it wishes to establish a track record of meeting current obligations at current market rates. The Administration supports the position of the Guam Power Authority, as does Congressman Won Pat who urged the Committee to modify the provision accordingly.

The committee agrees with the position of the Guam Power Authority and has modified this provision accordingly.

Sec. 304.—This section would exempt the Guam Power Authority from compliance with Section 111 (New Source Performance Standards) and Section 123 (prohibition in the use of certain control techniques) of the Clean Air Act.

Generally speaking, the Clean Air Act imposes two sets of requirements on emitting sources. All sources built after the promulgation of certain regulations adopted pursuant to Section 111 of the Clean Air Act ("the Act"), as amended in 1970, 42 U.S.C. § 7411, are subject to emission limitations known as New Source Performance Standards ("NSPS"). Additionally, every State must adopt a State Implementation Plan ("SIP") under Section 110 of the Act for the purpose of meeting National Ambient Air Quality Standards ("NAAQS"). Every SIP must impose on local sources sufficient controls to assure the attainment and maintenance of NAAQS. All emission limitations, whether imposed by NSPS or by an applicable SIP, must be met through the use of continuous emission control techniques. Clean Air Act, Sections 111 (NSPS) and 123 (SIP), 42 U.S.C. §§ 7411 and 7423.

GPA operates two 66-megawatt fossil fuel fired steam electric generating facilities on Cabras Island at Piti, Guam ("Cabras 1 and 2"). These facilities were built after the promulgation of New Performance Standards for steam electric generating facilities. The New Source Performance Standards impose a limitation on the amount of sulfur dioxide that Cabras 1 and 2 can emit. Additionally, GPA must meet these standards by means of continuous emission control. Both

the emission limitation and the continuous control requirement are imposed without regard to air quality.

GPA also operates two fossil fuel fired steam electric generating facilities at Tanguisson Point, Guam ("Tanguisson 1 and 2"). Tanguisson 1 and 2 were built before 1970 and are not subject to NSPS. They are, however, subject to the requirements of continuous emission control, without regard to whether air quality standards could be attained with a lesser degree of control.

Guam lies in an easterly trade wind belt and experiences winds from the east almost constantly.

The Cabras and Tanguisson facilities are all located on the western side of Guam. Accordingly, their emissions are almost constantly blown directly out to sea.

GPA currently utilizes the prevailing winds as part of its system of sulfur dioxide control. When the wind blows from the land toward the sea, which is 88.6 percent of the time, GPA burns fuel with 3 percent sulfur. The remaining 11.4 percent of the time, when the wind blows toward land, GPA burns low sulfur fuel (0.75 percent sulfur).

Monitoring data demonstrates that this strategy is more than adequate to meet the annual NAAQS for sulfur dioxide. Indeed, the average annual concentration of 10 micrograms per cubic meter far exceeds the standard of 80 micrograms per cubic meter. The NAAQS also include a 3-hour and a 24-hour standard. Data in the possession of the Guam Environmental Protection Agency is understood by GPA to demonstrate that the present control strategy is adequate to meet all standards.

The wind-based emission control strategy is implemented without difficulty. At its station on Guam, the U.S. Navy monitors wind conditions throughout the South Pacific and wind direction information is constantly available. The conversion from high to low sulfur fuel is accomplished in a minimal amount of time by simply closing the valve on one fuel line and opening it on another. The Guam Environmental Protection Agency oversees the control strategy and is able to do so without any significant resource commitment because of the dearth of emission sources on Guam.

The Clear Air Act does not permit the present control strategy on a long-term basis. As noted earlier, the act requires a system of continuous emission controls. In terms of specific control methods, this requires either burning low sulfur fuel continuously, or installing flue gas desulfurization technology ("scrubber"). At Tanguisson there exists the third alternative of building a tall stack.

There is no provision in the Clean Air Act for a waiver or variance from these requirements. Only Congressional legislation can accomplish such a result. GPA uses the present strategy at Cabras only because it is expressly permitted by a consent decree entered into with EPA pending the installation of a scrubber or the construction of sufficient storage facilities for the continuous burning of low sulfur fuel. GPA uses the present strategy at Tanguisson because it is permitted by the latest revision to the Guam SIP adopted by the Guam Environmental Protection Agency. This SIP revision is presently before EPA Region IX for approval, but in the absence of legislative relief EPA must reject the revision under Section 123(a)(2) of the Act.

Based on GPA's most recent low sulfur bid solicitation, it would cost GPA $15 to $16 million annually above present fuel costs to burn low sulfur fuel continuously. This represents a fuel cost increase of 50 percent over present fuel costs, approximately $30 million to $40 million. This cost increase would have to be passed on to the people of Guam in the form of a fuel rate increase.

The cost of scrubbers would be between $12 and $20 million in capital expenditures at Cabras alone and another $5 to $15 million at Tanguisson. Additionally, annual operating costs would be $2 to $2½ million at Cabras and $1½ to $2 million at Tanguisson. Although Tanguisson has an alternative to a scrubber—a tall stack—even this would cost $5 to $10 million for the necessary installation.

The wide variation in potential scrubber costs derives from the fact that GPA's least expensive option is an innovative seawater-based technology that is not yet commercially proven. If the seawater system fails to meet expectations a more conventional lime-limestone system will be required, with capital costs between $18 and $20 million for Cabras and $10 to $15 million for Tanguisson.

Neither GPA nor the people of Guam can afford these costs. GPA was recently granted a 10.7-percent rate increase for fiscal 1980 and an additional 2.1 percent for 1981. In addition to this rate increase the people of Guam will soon be subject to expensive fuel cost pass-throughs as world oil prices continue to skyrocket. Adding scrubber or low-sulfur fuel costs to this would strain the people of Guam beyond their financial capacity. GPA would quickly find itself with thousands of uncollectable accounts, as it has experienced during adverse conditions in the past.

Additionally, GPA is presently unable to obtain the funds to finance a scrubber. Over 50 percent of GPA's present debt consists of a $36-million loan from the Federal Government. This loan was extended for two years in December 1978 and H.R. 3756 contains provisions for further extensions, all based on GPA's inability to obtain private financing.

Of critical significance is the fact that compliance with the NSPS and continuous control requirements of the act would have *absolutely no clean air benefits* for the people of Guam or for any people elsewhere. The entire required expenditure would accomplish nothing; it would be a complete waste of the limited financial resources of the people of Guam.

Specifically, there are no inhabited land masses for approximately 1,500 miles to the west of Guam. When the prevailing winds blow, GPA's emissions affect neither the people of Guam, nor any other people. These emissions wash out of the atmosphere over hundreds of miles of empty ocean. Burning low sulfur fuel or operating a scrubber during prevailing winds would therefore benefit no one. The effort and the expenditure would have the sole effect of improving the air quality over hundreds of miles of uninhabited ocean. When the prevailing winds do not blow, GPA already burns low sulfur fuel, so there is absolutely no difference between continuous emission controls and the present strategy during these periods. Accordingly, requiring GPA to meet the act's present requirements would have no effect on the quality of the air on Guam.

Meeting the act's present requirements also makes no sense from an overall environmental perspective. The cost of low sulfur fuel on a

continuous basis is simply prohibitive for GPA. At Cabras, therefore, GPA would be forced to install a scrubber. But the scrubbers have a waste product which must be treated somehow. The seawater scrubber, for example, creates a contaminated effluent which must somehow be returned to the sensitive marine ecosystem at Guam. Conventional lime-limestone scrubbers create a semi-solid sulfate by-product which must be ponded or landfilled. On Guam, land for ponding is scarce and there is the risk of contaminating the limited freshwater drinking supplies. Given the good air quality, the present wind control strategy appears eminently more sensible for Guam.

In view of the foregoing, the most sensible approach is to permit the continued use of the present control strategy. This can be accomplished by simply exempting GPA from sections 111 (NSPS) and 123(a)(2) (intermittent control prohibition) of the Act.

By exempting GPA from NSPS Cabras need not meet an absolute emission limitation requiring the continuous burning of low sulfur fuel or the use of a scrubber. By removing the prohibition on intermittent controls, the present control strategy can be continued indefinitely at both Tanguisson and Cabras.

NSPS were intended to provide for future industrial growth while maintaining clean air by imposing strict emission limitations on all new sources. This rationale does not apply on Guam where the air is already clean and industrial growth is limited. Indeed, since the establishment of NSPS, there do not appear to be any major new sources of sulfur dioxide on the island except Cabras 1 and 2. Moreover, the only likely new sources in the future are new GPA generating facilities. All will be built on the coast, principally near Cabras for the efficiency and cost benefits of sharing suport facilities. These new generators will be built solely to replace older existing facilities. Because of modern efficiencies these new facilities will produce the same amount of electricity while burning less fuel than the facilities they replace. Accordingly, overall emissions will actually decrease without *any* emission controls as GPA builds new facilities.

Similarly, the rationale for prohibiting intermittent control strategies does not exist on Guam. The principal argument for this prohibition as applied to wind-based strategies is that pollution will be "exported" to other populated areas (*e.g.*, across State lines). As explained above, GPA's pollution is not exported to any populated areas. Another problem with intermittent control strategies is difficulty of administration. This problem does not exist on Guam for several reasons. First, there are few sources to oversee and the Guam Environmental Protection Agency needs to commit few resources to enforcing implementation of the strategy. Second, since the Navy constantly monitors wind conditions, wind data is always available without any further resource commitment. Third, the low sulfur switch-over is easily and quickly effected, as necessary. Fourth, the prevailing winds are so regular and so dominant that little administration is necessary; low sulfur fuel is required only 11.4 percent of the time.

It is to be emphasized that under the proposed legislation Guam would continue to be required to have a SIP and that SIP would continue to be required to satisfy NAAQS. The SIP would also remain subject to EPA approval as to its adequacy and to EPA jurisdiction

as to its enforcement. The purpose of the proposed legislation is simply to alleviate the threat of burdensome and unnecessary expenditures for the people of Guam. Most importantly, this is a goal which can be accomplished without any sacrifice in air quality.

In approving Title III the Committee deleted those provisions of the House-passed measure which addressed the administration and enforcement of the local territorial tax for the reasons noted in the discussion of the Northern Marianas provisions.

TITLE IV—VIRGIN ISLANDS

Description.—The U.S. Virgin Islands is an organized, unincorporated territory of the United States. The Virgin Islands consist of three principal islands and approximately 50 smaller islands and islets located in the Carribean Sea approximately 40 miles east of Puerto Rico. The three principal islands are St. Thomas (where the capital, Charlotte Amalie is located), St. Croix and St. John. Water Island and Hassel Island adjact to St. Thomas are also inhabited. The territory contains 130 square miles of land area with a population of around 100,000.

The Virgin Islands was acquired from Denmark by a treaty signed August 4, 1916 for the sum of $25 million. Pursuant to the 1936 Organic Act, and the 1954 Revised Organic Act and subsequent amendments, the Virgin Islands is self governing with an elective governor and legislature.

Section Analysis and Discussion of Amendments

Sec. 401.—This section was proposed by the Administration and would transfer to the Virgin Islands property which was acquired from Denmark by the United States and which was not reserved or retained by the United States in accordance with the provisions of Public Law 93–435. In addition, the section includes a provision added by the House which would transfer 230 acres to the Virgin Islands for the construction of an armory. The Committee understands that the Virgin Islands already has title to the property although it is subject to a mortgage held by GSA. The outstanding balance of the mortgage is $2,800,000 of which $125,000 is attributable to the ten acres needed for the armory. In order to assist the V.I. government, the Committee modified the section to require the Administrator of GSA to sever the 10 acres and release it from the mortgage upon payment of the $125,000 remaining on the principal.

Sec. 402.—This section would prohibit any modification of the existing lease on Water Island before 1992 without express Congressional approval. Even the witnesses from the Administration would not defend the terms of the present lease which in some places allows owners to recover fair market replacement value of any improvements made during the lease. The House passed measure had only required Committee approval, but the Department of Justice testified that such a provision would be unconstitutional. Accordingly the Committee has modified the provision to require an Act of Congress to approve any modifications.

Sec. 403.—This section authorizes the U.S. to deduct the cost of collections from the revenues to be covered into the Virgin Islands Treasury pursuant to the Revised Organic Act. The Committee adopted an Administration supported technical amendment.

Sec. 404.—This section would repeal the deficit authorizations contained in section 4(d) of Public Law 95–348. The Committee had originally authorized $20 million a year to offset anticipated deficits in the Virgin Islands based on the results of the audit by the Federal comptroller that the Virgin Islands was facing bankruptcy unless it began to better manage its fiscal affairs. On the assurance of then Congressman Ron de Lugo that the Virgin Islands would endeavor to reform its operations, and in order to avoid difficulties in obtaining the necessary budget waivers should a deficit occur, the Committee authorized the funds. The effort to protect the Virgin Islands, however, proved counter-productive as the Virgin Islands took little action to improve its economy, increase revenues, or decrease expenditures. Conversely, the Virgin Islands government immediately enacted salary increases so large that the Administration itself had to protest the massive violation of wage and price guidelines. Apparently the Virgin Islands understood the authorization as an invitation to increase its deficit rather than as a protection from unavoidable or unforeseen occurrences.

The most recent report of the Federal Comptroller (July 1979) states in part:

> The financial condition of the Territorial Government continues to worsen at a rapid pace and is now at a point where a virtual bankruptcy situation could exist in the near future. At June 30, 1978, the accumulated uncovered General Fund deficit was $35.5 million. In addition, mortgages and notes of $6.0 million were past due.
>
> Potential sources of increased revenues do exist in amounts sufficient to reverse the trend of deficit spending.

Accordingly, to encourage the Virgin Islands government to take affirmative action to reverse the trend of deficit spending, the Committee has approved the repeal of the deficit authorization.

TITLE V—AMERICAN SAMOA

Description.—American Samoa is an unincorporated, unorganized (lacking an Organic Act territory of the United States. It consists of seven islands, most of which lie approximately 2,300 miles southwest of Hawaii. The principal islands are Tutuila (where the capital, Pago Pago, is located), Aunu'u, and three islands of the Manu's group—Tau, Olosega, and Ofu. Swains Island, also a part of American Samoa, lies 280 miles to the northwest. Rose Atoll is a national wildlife refuge and lies 250 miles east of Tutuila. The total land area is 76.2 square miles with a population of 30,000 of which approximately 13,000 are long term residents from Western Samoa.

Samoa was acquired by two treaties of cession in 1900 and 1904 which were ratified in 1929. Samoa is administered by the Secretary of the Interior and enjoys local self government with an elective Governor and lower house of the legislature. The upper house members are chosen according to Samoan custom.

Section Analysis and Discussion of Amendments

Sec. 501.—This section states the existing policy of the Department of the Interior of assuming all costs of the government comptroller.

Sec. 502.—This provision directs the Secretary of the Treasury, upon the request of the Governor, to assume the administration of customs collection in American Samoa. At present, American Samoa imports too little to make the collection of customs duties economical. Assistance from the Treasury will be of great assistance to the local government.

TITLE VI—MISCELLANEOUS

Sec. 601.—This provision requires the Department of the Interior to waive matching requirements on federal grant programs to the territories. The Committee appreciates the difficulty of combining programmatic and formula grants, but expects that the Department will make every effort to see that the benefits of grant legislation are extended to the territories. The Committee is especially aware of the difficulty some territories have with in kind matching requirements due to traditional, non-common law customs and expects that the Department will be similarly sensitive.

Sec. 602.—These provisions are self-explanatory.

Sec. 603.—This section authorizes the territories to use federal facililities and services on a reimbursable basis.

Sec. 604.—This provision is self-explanatory.

Sec. 605.—This section adds the text of S. 1119 as passed by the Senate.

The purpose of S. 1119 is to insure that the Secretary of the Interior informs the Congress of any proposals for the transportation of spent nuclear fuel or high level radioactive waste to or for the storage of such material on any territory or possession of the United States. The measure also requires specific authorization by Congress of any such proposal.

On March 28, an article appeared in the Washington Post entitled "U.S. Proposes Storing Spent Nuclear Fuel on Pacific Isle." The article stated that the United States had proposed to the Government of Japan the use of an American owned island for the storage of spent nuclear fuel. The article quoted "administration sources" as saying "a number of American islands are being studied as the possible site for spent fuel storage, some inhabited and some uninhabited."

In light of the committee's responsibilities both for territories and insular affairs and for the nuclear waste storage program, Senator Jackson wrote to the Secretaries of State, Energy, and Interior expressing his concern that the committee had not been notified of the negotiations or the proposal. The Department of the Interior responded that they knew nothing about this proposal; the Department of Energy responded that they were not the lead agency but were sorry the committee had not been told; and the Department of State responded that section 104 of the Nuclear Nonproliferation Act of 1978 required them to enter into these negotiations and that: "Of course, no major step would be taken in this issue without consulting you, your committee and other interested members of Congress, and, as appropriate, seeking congressional approval." Subsequent to Senator Jackson's letter, the Department of Energy submitted a classified document containing background materials, and the Department of State provided a general briefing for the committee.

A major concern of the committee was, and still is, the unwillingness of the State Department to identify in public the potential sites.

Among the legacies of the American and French nuclear test programs in the Pacific are a fear of even the presence of nuclear-powered vessels, much less the storage of nuclear wastes on some "inhabited" island, and a general distrust of the intentions of the nuclear powers in the area. The French nuclear tests at Mururoa and Hao Atolls have resulted in continued angry reactions both locally and among representatives to the South Pacific Conference. In October 1978, a church-sponsored conference in Ponape, in the trust territory, brought together representatives from around the Pacific to discuss nuclear issues and to call for a nuclear-free Pacific. There is little differentiation within the Pacific community between nuclear weapons, nuclear wastes, and nuclear-powered vessels. Several Pacific ports are closed to nuclear-powered vessels and the United States has even had difficulty in scheduling port visits in New Zealand and Australia, ANZUS allies in the Pacific. The situation in the American-owned areas is compounded by the continuing unresolved situation of the peoples of Bikini and Enewetak Atolls.

General statements of where the United States or other countries are looking or not looking for nuclear waste storage sites are not likely to allay the very real concerns of the Pacific community. In meetings with the Department of Energy and the Department of State on this program, the committee questioned the continued need for secrecy over the potential sites and the nature and status of the proposals.

Despite the expressions of concern from the committee, the State Department would only state formally that: "The sites currently under consideration are undisputed U.S. territories, either uninhabited or having no indigenous population, and do not involve any location in the Trust Territory of the Pacific Islands." Whatever benefit that statement might have is dissipated by the word "currently." In addition, since there are uninhabited islands in the Northern Marianas, Samoa, the Aleutians, and Hawaii, the State Department response did little to quiet the fears in the Pacific. Articles and editorials began to appear, as anticipated, in Guam as well as Australia and other areas.

Although S. 1119 was drafted when the original Post article appeared, introduction was delayed as a result of the briefings. From the briefings by the Departments of State and Energy, together with the materials submitted by the Department of Energy, it appeared that the preliminary sites evaluation was virtually complete. The sites under consideration, although obviously subject to the general concerns of the Pacific community over any nuclear storage proposal in the Pacific, approve to avoid the major protests likely to accompany proposals at other potential sites.

On May 3 the Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs wrote to Senator Jackson notifying him that additional investigations would be undertaken. The sites included in these investigations seemed to confirm some of the site-specific concerns raised by the committee. In addition, when asked whether he was aware of the new investigations, the Under Secretary of the Interior responded that he was not.

On May 10, S. 1119 was introduced by Senators McClure, Church, Hatfield, Jackson, Johnston, and Matsunaga; and Senator Jackson wrote to the Secretary of State informing him of the introduction of S. 1119 and the scheduling of a hearing on June 5. The letter stated in part that: "The inclusion of one of those sites, in my estimation, is likely to result in a needless and very serious reaction among members of the Pacific community. Furthermore, the Department of the Interior, which has the general responsibility for territorial affairs in the executive branch, has again not been informed of your proposals."

The hearing on June 5 was conducted in executive session at the request of the administration since the identity of the potential sites had been classified. The committee discovered, however, that the sites could be made public. In addition, with respect to the timing of notice to the Congress, the committee was informed that the administration did not believe there was any legal requirement to notify the Congress of any plans until such time as an authorization for the actual expenditure of funds was needed for the repurchase, transportation, and storage of spent fuel. Although the administration had stated intentions to keep the Congress informed in the future, the witnesses objected to any statutory requirement for such notice.

The committee wishes to emphasize that its concern, as expressed by S. 1119, does not in any manner reflect an opinion with respect to the goals and objectives of the Nuclear Nonproliferation Act of 1978, nor is the concern designed to limit in any way the conduct of negotiations pursuant to that act. The committee also wishes to emphasize that it in no way wishes to prejudge the feasibility or the desirability of the use of island storage for spent nuclear fuel. The committee's concern expressed in this measure are the failure of the administration to notify and inform the Congress and the apparent insensitivity of the executive department participants in this venture to the concerns of the Pacific community. The objectives of S. 1119 are to guarantee that the Congress is informed in a timely manner and to assure the members of the Pacific community that the United States will not sanction or approve any proposal for spent fuel storage without full public disclosure of the site and open consideration and formal approval by the U.S. Congress.

In light of the testimony received at the June 5 hearing, the committee determined that the only assurance that the Congress and the Pacific Community would have that they would be kept informed and not presented with a fait accompli would be enactment of S. 1119. S. 1119 was unanimously reported from the committee and passed the Senate without dissent.

Since Senate passage of S. 1119, further discussions have been held by the administration with the Government of Japan, and there have been additional expressions of concern from both the U.S. territories and other members of the Pacific community. The Committee, accordingly, has added the text of S. 1119, as passed by the Senate, to this measure as an assurance to the U.S. territories and Pacific community that any such decision will be made in open discussion and after the full and total involvement of the Congress.

This provision was added at the request of Senators Matsunaga and McClure.

Sec. 606.—This section, proposed by Senator Jackson, would confirm the jurisdiction of Puerto Rico over its submerged lands to three marine leagues. This jurisdiction was conferred on Puerto Rico by sections 7 and 8 of the Organic Act of 1917 ("Jones Act") which transferred to the administration of the government of Puerto Rico control over lands acquired by the United States from Spain through the Treaty of Paris in 1899.

Puerto Rico's jurisdiction and control has been evidenced since 1917 and as recently as 1974, in commenting on the Territorial Submerged Lands Act, the formal Administration Report stated in part that "Puerto Rico, pursuant to 48 U.S.C. 749, controls the submerged lands around the islands of Puerto Rico." In order to prevent any unintentional exclusion of Puerto Rico from the measure since the Commonwealth is not included in either the Submerged Lands Act or the Territorial Submerged Lands Act, Senator Johnston, Chairman of the Subcommittee on Territories and Insular Affairs, at the request of then Governor Rafael Hernandes-Colon and Resident Commissioner—Jaime Benitez requested further confirmation of Puerto Rico's jurisdiction. The Director of the Office of Territorial Affairs testified that "by act of Congress in 1917 (48 U.S.C. 749) the Government of Puerto Rico obtained control of its submerged lands. As far as we are aware, Puerto Rico's administration of its submerged lands had been quite smooth."

Although the precise seaward jurisdiction was not as explicitly stated in the 1917 Act for Puerto Rico as was later done for the States under the Submerged Lands Act and for the territories under the Territorial Submerged Lands Act, the basis for such jurisdiction rests on grounds similar to those asserted by Texas and Florida based on Spanish law and custom. The grant to Puerto Rico in 1917, therefore, was three leagues. The amendment merely confirms the action of the United States taken in 1917 by conforming the language of the 1917 Act to the language of the Submerged Lands Act and the Territorial Submerged Lands Act.

Legislative History

H.R. 3756 was introduced by Congressman Burton *et al.* on April 26, 1979. Hearings were held by the Subcommittee on National Parks and Insular Affairs on April 30, 1979. The bill was ordered reported by the Subcommittee on April 30 and by the Full Committee on Interior and Insular Affairs on May 2, 1979. H.R. 3756 was approved by the House on May 7, and referred to the Committee on Energy and Natural Resources. Hearings were held by the Full Committee on October 10, 1979.

Committee Recommendations and Tabulation of Votes

The Senate Committee on Energy and Natural Resources, in open business session on December 6, 1979, by unanimous vote of a quorum present recommends that the Senate pass H.R. 3756 if amended as described herein.

Cost and Budgetary Considerations

The following estimate of costs of this measure has been provided by the Congressional Budget Office.

U.S. Congress,
Congressional Budget Office,
Washington, D.C., December 6, 1979.

Hon. Henry M. Jackson,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Dirksen Senate Office Building, Washington, D.C.

Dear Mr. Chairman: Pursuant to Section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has prepared the attached cost estimate for H.R. 3756, a bill to authorize appropriations for certain insular areas of the United States, and for other purposes.

Should the Committee so desire, we would be pleased to provide further details on this estimate.

Sincerely,

Alice M. Rivlin, *Director.*

Congressional Budget Office—Cost Estimate

December 6, 1979.

1. Bill number: H.R. 3756.
2. Bill title: A bill to authorize appropriations for certain insular areas of the United States, and for other purposes.
3. Bill status: As ordered reported by the Senate Committee on Energy and Natural Resources, December 6, 1979.
4. Bill purpose: The purpose of this legislation is to authorize the appropriation of funds for various programs for the Trust Territory of the Pacific Islands, the Northern Mariana Islands, Guam, the Virgin Islands and American Samoa.
5. Cost estimate:

[By fiscal years, in millions of dollars]

	1980	1981	1982	1983	1984
Expenditures:					
Estimated authorization level	−34.9	134.7	136.8	150.0	163.2
Estimated outlays	−34.9	42.1	133.9	154.3	159.1
Revenues: Estimated revenue decrease	2.1	2.1	2.1	2.1	2.1
Net budget impact: Net increase or decrease (−) in deficit	−32.8	44.2	136.0	156.4	161.2

6. Basis of estimate: The following describes the methodology used to estimate the cost of each section of the bill.

Trust Territory of the Pacific Islands

Section 101 amends the act of June 30, 1954 by authorizing the appropriation of such sums as may be necessary for fiscal years after 1980 for the operation of the government of the Trust Territory of the Pacific Islands. The fiscal year 1980 appropriation of $113,785 has been inflated over the projection period by the relevant inflators to derive the estimated authorization level for fiscal years 1981 through 1984. No conclusion of the negotiations on the future status of Micronesia has been assumed. Outlays are based on a spendout rate from appro-

priations of 50 percent in the first year, 40 percent in the second year, and 10 percent in the third year.

	Millions
Estimated authorization level:	
Fiscal year:	
1980	-------
1981	$124.0
1982	135.8
1983	148.0
1984	161.1
Estimated outlays:	
Fiscal year:	
1980	-------
1981	62.0
1982	117.5
1983	140.7
1984	153.4

Section 102 reiterates certain provisions in existing law that direct the Secretary of the Interior, in conjunction with the Secretary of Energy, to provide medical care and treatment and environmental research and monitoring for any condition resulting from nuclear weapons testing on or near the Atolls of Bikini, Enewetak, Rongelap, and Utirik. This provision is not expected to increase federal government expenditures.

Section 103 clarifies the eligibility requirements for a $25,000 compensation payment for any individual suffering physical injury or harm from a radiation-related cause resulting from radiation exposure, and is not expected to result in any additional cost to the government.

Northern Mariana Islands

Section 201 directs that salaries and expenses of the government comptroller for the Northern Mariana Islands be paid for out of funds appropriated to the Department of the Interior. Since this section merely puts into law what is currently being done, no additional expenses are expected to be incurred.

Section 202 authorizes the appropriation of $24.4 million (October 1979 prices), plus or minus such amounts as may be justified by reason of fluctuations in applicable construction costs, for a grant to provide health care services for the Commonwealth of the Northern Mariana Islands. It has been assumed that construction of the necessary facilities will take approximately four years. Applying an annual construction cost increase of 8 percent to the unobligated balances over the four-year period, it is estimated that the total cost of the project will be approximately $32 million.

	Millions
Estimated authorization level:	
Fiscal year:	
1980	-----
1981	$32.0
1982	-----
1983	-----
1984	-----
Estimated outlays:	
Fiscal year:	
1980	-----
1981	1.4
1982	15.4
1983	11.6
1984	3.6

Section 203 changes the authorization of appropriation for the American Memorial Park in Saipan from $3 million for the development, maintenance and operation of the park to such sums as may be necessary, but not to exceed $3 million for development. This is a technical change in the existing language, and does not represent any additional authorization. The Secretary already has the authorization to provide operation and maintenance for the park in the Organic Act of 1916.

Guam

Section 301 eliminates the prohibition on the payment of interest to persons claiming compensation for their interest in lands where it was determined that less than the fair market value was paid. No awards have been made to date. Although there is the potential for additional payments by the government, the amount is not known at this time.

Section 302 amends the act of November 4, 1963 by deleting the requirement that Guam pay interest to the United States on funds paid to Guam for water, power, and telephone projects, funds used by Guam to permit Guam to qualify for participation in federal programs and other funds. All funds previously withheld as interest payments should be credited as reimbursement payments by Guam on the principal amount advanced by the United States. To date, Guam has made approximately $18 million in interest payments on loans of $41 million with $5 million remaining to be drawn down. The remaining interest forgone would total $30 to $40 million, and would have been paid at a rate of approximately $2.1 million annually.

Revenue reduction:

Fiscal year:	*Millions*
1980	$2.1
1981	2.1
1982	2.1
1983	2.1
1984	2.1

Section 303 provides that the Secretary of the Treasury, in the event that the Guam Power Authority is unable to refinance its indebtedness by December 31, 1980, shall extend its guarantee provision until December 31, 1990. If the Guam Power Authority should fail to meet its obligations, the Secretary of the Interior shall request the Treasury Department to deduct such payments from sums collected and paid to the government of Guam for taxes. Since the government of Guam would ultimately have to assume any losses, this section would have no net federal budgetary effect.

Section 304 waives certain standards for performance of new stationary resources for the Guam Power Authority. This provision is not expected to result in any additional federal expenditures.

Virgin Islands

Section 401 transfers title of certain United States property in the Virgin Islands to the government of the Virgin Islands. No current estimate is available of the value of this property.

Section 402 provides that no extension, renewal or renegotiation of the lease of property on Water Island may be entered into without the

approval of Congress. No budgetary impact is expected to result from this provision.

Section 403 allows the Secretary of the Treasury to withhold the necessary sums to cover the costs of collecting all duties, taxes, and fees, except for the costs of preclearance, from August 18, 1978 until January 1, 1982. The Treasury Department is spending approximately $2.8 million in fiscal year 1979 for the collection of customs duties. Therefore, this provision would mean a savings to the U.S. government.

	Millions
Estimated authorization level:	
Fiscal year:	
1980	—$4.9
1981	—3.0
1982	—0.8
1983	------
1984	------
Estimated outlays:	
Fiscal year:	
1980	—4.9
1981	—3.0
1982	—0.8
1983	------
1984	------

Section 404 repeals the authorization for grants to the Virgin Islands to offset any anticipated deficit during fiscal years 1979, 1980 and 1981. A total of $60 million was authorized for this purpose, and $10 million of this amount has already been appropriated. Repealing this provision could potentially save the government a total of $50 million.

	Millions
Estimated authorization level:	
Fiscal year:	
1980	—$30.0
1981	—20.0
1982	-------
1983	-------
1984	-------
Estimated outlays:	
Fiscal year:	
1980	—30.0
1981	—20.0
1982	-------
1983	-------
1984	-------

American Samoa

Section 501 provides that the salaries and expenses of the government comptroller for American Samoa shall be paid from funds to be appropriated to the Department of the Interior. This section puts current pactices into law; therefore, no additional expenses are expected to be incurred.

Section 502 directs the Secretary of the Treasury to administer and enforce the collection of all customs duties derived from American Samoa without cost to the government of American Samoa. The Secretary may train and employ residents of American Samoa to carry out these provisions. The Administration enforcement of this section shall begin October 1, 1980. Based on a ratio of cost to population for the Virgin Islands, this provision for American Samoa is estimated to cost

$1.0 million for the full fiscal year 1981, increasing due to inflation over the projections period.

	Millions
Estimated authorization level:	
Fiscal year:	
1980	----
1981	$1.0
1982	1.1
1983	1.2
1984	1.3
Estimated outlays:	
Fiscal year:	
1980	----
1981	$1.0
1982	1.1
1983	1.2
1984	1.3

Miscellaneous

Section 601 requires the Department of the Interior, when making grants to any insular area which are used only for certain specified purposes, to waive requirements for matching funds and waive the requirement that any insular area submit an application or report in writing with respect to any consolidated grant. Heretofore, this provision was solely at the discretion of the agency. The amount of funds the territories had to contribute as their share of Department of the Interior grants in fiscal year 1978 ($0.6 million) was inflated over the projections period to estimate the increase in Federal government outlays. This assumed that the federal government would pay 100 percent of the cost of the projects for which the grants are made.

[In millions of dollars]

Estimated authorization level:	
Fiscal year:	
1980	----
1981	0.7
1982	0.7
1983	0.8
1984	0.8
Estimated outlays:	
Fiscal year:	
1980	----
1981	0.7
1982	0.7
1983	0.8
1984	0.8

(Function 300)

Section 605 directs the Secretary of the Interior to report to the Congress on plans or projects affecting the territories and possessions. Since this does not require any additional analysis on the part of the Department of the Interior, no additional costs are expected to be incurred.

Section 606 clarifies Puerto Rico's jurisdiction over submerged lands within three marine lakes, and will not result in any additional expenditures by the federal government.

7. Estimated comparison: None.

8. Previous CBO estimate: On May 11, 1979, CBO prepared an estimate of the costs of H.R. 3756, as passed by the House of Representatives. The Senate version differs from the House-passed bill primarily

in that most of its provisions are effective in fiscal year 1981, and it repeals $50 million previously authorized in law for grants to the Virgin Islands to offset any anticipated deficit.

9. Estimate prepared by Kathy Weiss.

10. Estimate approved by:

C. G. Nuckols
(For James L. Blum,
Assistant Director for Budget Analysis).

Regulatory Impact Evaluation

The bill is not a regulatory measure in the sense of imposing Government-established standards or significant economic responsibilities on private individuals and businesses.

No personal information would be collected in administering the provisions of the measure. Therefore, there would be no impact on personal privacy.

Little, if any, additional paperwork would result from the enactment of H.R. 3756.

Executive Communications

The pertinent legislative reports and communications received by the Committee from the Department of the Interior and Department of Justice, setting forth Executive agency recommendations relating to H.R. 3756 are set forth below:

U.S. Department of Justice,
Washington, D.C., October 5, 1979.

Hon. Henry M. Jackson,
Chairman, Committee on Energy and Natural Resources,
U.S. Senate, Washington, D.C.

Dear Mr. Chairman: This presents the views of the Department of Justice on section 404 of H.R. 3756, which would prohibit the "extension, renewal, or renegotiation of the lease of real property on Water Island in the Virgin Islands" prior to 1992 if the United States is a party to such lease without the "express approval" of your Committee and the House Committee on Interior and Insular Affairs. This bill, including section 404, was passed by the House on May 7, 1979. For reasons stated hereafter, we believe that the so-called "committee approval" provision contained in section 404 is unconstitutional.

The provisions of section 404 described above permit committees of the Congress effectively to "approve" or "veto" decisions of the Secretary of the Interior made pursuant to statute. After full consideration of the constitutional issues raised by "committee approval" provisions such as this one, three former Attorneys General have concluded that they are unconstitutional. See 37 Op. A.G. 56 (1933); 41 Op. A.G. 230 (1955); 41 Op. A.G. 300 (1957). We adhere to this view, which is that committees of Congress may not, under the doctrine of separation of powers, constitutionally control the exercise of discretion vested in the Executive Branch by statute. If Congress desires to control such discretion, it must do so by legislation subject to the veto power of the President under Article I, section 7 of the Constitution.

In addition to these opinions of former Attorneys General, on June 21, 1978 the President transmitted to the Congress a message setting

forth his views on the constitutionality of legislative veto devices generally, of which the so-called committee approval devices are a subcategory, That message, reprinted at 124 Con. Rec. H 5879-80 (Daily Ed. June 21, 1978), is fully applicable to the committee approval provisions in this bill.[1]

The Office of Management and Budget has advised that there is no objection to the submission of this report from the standpoint of the Administration's program.

Sincerely,

ALAN A. PARKER,
Assistant Attorney General.

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C., October 9, 1979.

Hon. HENRY M. JACKSON,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This responds to your request for a report on H.R. 3756 as passed by the House of Representatives on May 7, 1979, a bill "To authorize appropriations for certain insular areas of the United States, and for other purposes." The Administration recommends that H.R. 3756 be enacted with the amendments described below.

SECTION 101

Section 101 would provide an open-ended authorization of funds for the Trust Territory of the Pacific Islands after 1980, both as to time and amount. The Administration has no objection to the open-ended provisions. We believe that language that is open-ended as to amount gives recognition to the need for Trust Territory budget flexibility in light of the changes taking place there. Open-ended timing would accommodate the schedule that might arise from agreement reached with the Micronesians on future political status terminating the trusteeship by the end of 1981.

SECTION 102

Section 102 would authorize the appropriation of 50 percent of the outstanding amounts payable under the adjudicated claims and final awards made by the Micronesian Claims Commission under Title I

[1] We note that, absent some legislative history to the contrary, we would view the "committee approval" provision in § 404 as severable. We therefore would take the position that the Secretary would be free to treat § 404 as a notice clause and to proceed with the extension, renewal or renegotiation of leases subject to § 404 without the "express approval" required by § 404.

We would add that the "committee approval" provision in this bill is analytically and constitutionally distinguishable from statutory provisions which require the "approval" by, for example, the House Committee on Public Works and Transportation, of Government construction projects prior to appropriations being made by Congress for such projects. We have historically taken the position that such "no appropriation" provisions constitute only an internal limitation on Congress itself as regards putting money into an appropriation measure for a project that has not been "approved" by one of the public works committees. In our view the enactment of an appropriation bill including such money in the absence of the "approval" of the committees would be the final word from Congress. In contrast, the provisions in this bill give the Executive Branch final authority to carry out certain actions but require the "approval" of Congressional committees prior to carrying out those actions. Congress could, of course, require subsequent legislation to be enacted prior to the final negotiation of the leases here, but it may not, in our view, condition that negotiation by anything less than subsequent legislation. In short, "no appropriation" provisions purport to bind Congress, while this bill would purport to condition the exercise of statutory power by the Executive.

of the Micronesian Claims Act of 1971. These awards amount to $34.3 million. To date, Japan and the United States have made available a total of $11.8 million (with Japan's share in goods and services), which has been paid or made available on a pro rata basis to Title I claimants. P.L. 95-134 authorizes payment of the remaining amounts outstanding upon a 50 percent contribution by Japan. Since Japan has made no further contribution, the balance of $22.6 million in Title I awards remains unpaid. Claims relating to the immediate post-secure and post war period (the Title II claims), totaling approximately $32 million, have been paid.

The Administration at this time continues to oppose further Title I payment. In addition, because of the uncertainty now existing as to the amount needed to settle Title I claims, and the additional uncertainty as to when the question about amount will be finally established, we think, at a minimum, it is premature to support the authorization contained in section 102.

These uncertainties arise because of pending litigation. The United States Court of Appeals for the District of Columbia reversed and remanded earlier decisions of the United States District Court in two suits involving three claims, holding that the Micronesian Claims Act and its legislative history do not preclude judicial review of final decisions of the Micronesian Claims Commission (*Ralpho* v. *Bell*, 569 F. 2d 607 (1977); *Melong* v. *Micronesian Claims Commission*, 469 F. 2d 630 (1977)).

The first question before us, and itself not a difficult one to resolve, is where those three claims should be reheard, inasmuch as the Micronesian Claims Commission has long since disbanded. We would be prepared to offer legislation to provide a forum for this purpose, but it may be that the problem is immensely more complicated than that. This is so because after the Court of Appeals ruling, the District Court ruled against class certification, but this class action issue is now on appeal. If the lower court ruling against the class certification is overturned, substantial effort would have to be expected in re-determining a large number of claims. It is estimated that as many as 10,000 Title I claims might then require readjudication. Such readjudications would probably (a) require creation of some new instrumentality to perform the adjudicatory work, (b) result in a change in the total amount of $22.6 million unfunded—but whether upward or downward, we are unable to project, and (c) consume many months to complete.

The Administration remains opposed to further Title I payments at this time. We will await the Court of Appeals decision on the class action suit before determining what other steps may be required. Only then will we know the magnitude of the problem before us.

SECTION 103

Section 103 would establish a comprehensive medical care and monitoring program under the direction of the Secretary of the Interior for the inhabitants of Bikini, Enewetak, Rongelap, and Utirik who were subjected to radiation damage as a result of United States nuclear testing in the Pacific.

The Administration strongly believes that it is the responsibility of the United States to insure that the people of the Marshall Islands

who have been exposed to radioactive hazards resulting from nuclear testing at Enewetak and Bikini receive proper medical follow-up and, where appropriate, medical care.

The amendment contained in section 103 would change the present procedure where the Department of Energy performs and pays for the services rendered under the current medical surveillance, care and monitoring program, to one where the Secretary of the Interior would fund the program, but could request the Department of Energy to administer it.

The Department of Energy is presently conducting a program under a general authorization for (1) radiological monitoring of people and the environment of Rongelap, Utirik, Bikini, and Enewetak, and (2) providing medical care to those people who may have suffered illness or injury as a result of our nuclear weapons testing program. The medical part of the program primarily consists of quarterly examinations of the exposed people and the stationing of a resident physician in the Marshall Islands. In addition, general sick-calls are periodically held for all persons on the affected atolls. Those who have non-radiation related aliments are referred to appropriate Trust Territory medical personnel. Specialized examinations are also conducted on a periodic basis. Individuals who are diagnosed as suffering from illnesses or injuries which are likely related to radiation exposure receive comprehensive treatment under the Energy program. Program costs in fiscal year 1979 were about $3 million, with 590 persons under direct medical surveillance.

The Administration agrees that the present program should be specifically authorized, but recommends that the Department of Energy continue to administer both the medical surveillance and radiological monitoring. The Department of Energy has both the medical and scientific expertise necessary for proper program management and continuity, without the administrative complexity and cost of one department contracting with another to perform the program. We also believe that the program should be funded through Energy (in consultation with Interior and others) so that program costs are clearly reflected as arising from this country's nuclear testing program, not from our administration of the territories.

We, therefore, propose a substitute to section 103 that contains the Administration's recommended changes. Our proposed substitute would not only fully extend the Department of Energy's present program to Enewetak, but it would also give the Secretary of Energy discretion to designate as eligible for assistance any other atoll in the Marshalls, the people of which are determined to be in need of medical surveillance and care. We believe this flexibility is necessary in order to provide assistance to any other Marshallese who may be subsequently found to have been exposed to radiation as a reslt of the nuclear weapons testing program.

The Administration's substitute would also clarify the fact that the program would provide medical care for illnesses or injuries which may have resulted from nuclear testing, and is not intended to provide comprehensive health care for general medical or phychiatric problems that are unrelated to the testing program.

Our substitute for section 103 is as follows:

SEC. 103. The Act entitled "An Act to authorize certain appropriations for the territories of the United States, to amend certain Acts

relating thereto, and for other purposes" (91 Stat. 1159; Public Law 95–134) is amended—

(1) in subsection 104(a), by striking out paragraph (4) and redesignating paragraph (5) as paragraph (4); and

(2) by inserting after section 105, the following new section:

"Sec. 106. (a) Notwithstanding any other provision of law, the Secretary of Energy shall provide for the people of the atolls of Bikini, Enewetak, Rongelap, Utirik, and such other atolls as the Secreaary of Energy may designate, and for their descendants, a program of medical surveillance and treatment, and environmental research and monitoring, for any illness or injury which, in the sole opinion of the Secretary of Energy, may have been the result of the United States nuclear weapons testing program at or near such atolls during the period of 1946 to 1958. Such program shall include—

"(1) a periodic medical surveilance of such people and their descendants with special emphasis on diagnosis and treatment of injury or illness that may have resulted from such nuclear weapons testing program;

"(2) a periodic comprehensive monitoring and analysis of the radiological status of the people and environment of the atolls described in subsection (a) of this section, employing the most current scientific and technical methods available, with emphasis on radionuclide pathways to man through the food chain;

"(3) at appropriate intervals, but not less frequently than once every five years, the development of an updated radiation dose assessment, together with an estimate of the risk associated with the predicted human exposure, for each such atoll;

"(4) an education and information program to enable the people of such atolls to more fully understand nuclear radiation and its effects, to the end that unrealistic fears will be minimized and measures to discover, treat, or reduce human exposure to radiation at such atolls will be maximally effective.

"(b)(1) In the development and implementation of the program provided by this section, the Secretary of Energy shall consult and coordinate with the Secretary of the Interior, the Secretary of Defense, the High Commissioner of the Trust Territory of the Pacific Islands, and the President of the Marshall Islands; and in consultation with the National Academy of Sciences, shall establish a scientific advisory committee which shall review and evaluate the conduct of such program and make such recommendations regarding its improvement as they deem advisable.

"(2) At the request of the Secretary of Energy, any Federal agency shall provide such information, personnel, facilities, logistical support, or other assistance as the Secretary of Energy deems necessary to carry out the functions of this program; the costs of all such assistance shall be reimbursed to the provider thereof out of the sums authorized to be appropriated by this section.

"(3) There are authorized to be appropriated to the Secretary of Energy such sums as may be necessary to plan, implement, and operate the program authorized and directed to be provided by the section.

"(c) The Secretary of Energy shall report to the appropriate committees of the Congress, and to the people of the atolls described in subsection (a) of this section, annually, or more frequently if necessary, on the activities of the program provided by this section. Each such report shall include a description of the health status of the individuals examined and treated under the program, an evaluation of the program by the scientific advisory committee, and any recommendations for improvement of the condition of such individuals. The first such report shall be submitted not later than one year after this section becomes law."

SECTION 104

Section 104 states that "* * * Federal programs shall not cease to apply to the Trust Territory of the Pacific Islands either before or after the termination of the trusteeship, without the express approval of Congress."

We presume that this section is directed, at least in part, toward a policy concerning Federal programs in the Trust Territory that this Department adopted in November 1978. That policy was in turn based upon the expectation that, upon termination of the Trusteeship, which the President has targeted for 1981, the many Federal grant programs now applicable to the Trust Territory would, for the most part, cease. That is the basis upon which the future political status of the Trust Territory is being negotiated. The Federal programs in question are now of major significance in terms of revenue resources in the Trust Territory. They have totaled about $25 million per year in recent years (with the figure excluding a controversial feeding program, which is now largely terminated except for emergencies). It was this Department's view in November 1978, and it remains our view, that the Federal assistance level needs to be phased down, so that the post-trusteeship entities in Micronesia are not required to absorb the shock of a sudden termination of Federal aid of that magnitude.

That November 1978 policy has, however, been criticized. It has been argued, for example, that under it this Department would be violating the Impoundment Control Act, because Federal funds would be prohibited from flowing to the Trust Territory when the Congress had made such flow mandatory. That was not then nor is it now our purpose. We do not intend that any Federal program that is, by law, required to be implemented in the Trust Territory be terminated without appropriate notification to the Congress through the authorization/appropriation process, or the Impoundment Control Act. However, our November 1978 policy was mainly directed at "discretionary" programs, those that the grantor or the grantee can apply if they so choose, as a matter of policy. It has also been argued that our November 1978 policy interferes with economic development, by foreclosing the application in the Trust Territory of Federal programs directed to that end. Again, that was not and is not our purpose.

Because of the controversy that has developed on this question, we are engaged now in a revision of that November 1978 policy statement. We shall share the new statement with the interested Committees when we have completed our consultations within the Executive Branch.

Under these circumstances, the Administration strongly urges the

deletion of section 104 as duplicative and unnecessary. Quite apart from the considerations described above, we think the section as drafted contains inherent ambiguities. If the section is to be construed to mean that the *legal eligibility* of the Trust Territory for Federal programs shall not cease without congressional approval, then section 104 is a restatement of existing law and is unnecessary. If, on the other hand, this wording is construed to mean that Trust Territory *participation* in applicable, discretionary, Federal programs may not cease without the approval of Congress, then we strongly oppose the section. As of December 30, 1977, the Trust Territory was legally eligible for 482 Federal programs; its participated in 166. We think the Trust Territory Government and this Department ought to retain the authority to decide which discretionary programs should be implemented in the Trust Territory, and which ones should not.

SECTION 201

Section 201 provides that the Department of the Interior shall pay the salary and expenses of the government comptroller of the Northerns Mariana Islands. The Administration supports this section.

The salary and expenses of the government comptroller of Guam are paid by this Department and curently the Northern Mariana Islands are under his jurisdiction. We recommend the specific inclusion of the Northern Mariana Islands in the statute that extended the authority of the comptroller to the Trust Territory of the Pacific Islands (48 U.S.C. 1681b). Present application of existing law would not change, but an amendment would insure continued application of the statute to the Northern Mariana Islands (which will become a part of the United States when it assumes fully the status of the Commonwealth of the Northern Marianas) at such time as the trusteeship over Micronesia is terminated. We recommend the following amendment to the Act of June 30, 1954, as amended by the Act of September 21, 1973 (48 U.S.C. 1681b) :

(1) strike the words "government of the Trust Territory of the Pacific Islands" wherever they appear and insert in lieu thereof the words "governments of the Trust Territory of the Pacific Islands or the Northern Mariana Islands,";

(2) after the words "High Commissioner of the Trust Territory of the Pacific Islands" insert the words "or Governor of the Northern Mariana Islands, as the case may be,";

(3) wherever the words "High Commissioner" appear and are not followed by the words "of the Trust Territory of the Pacific Islands" insert the words "or Governor as the case may be,"; and

(4) after the words "District Court of Guam" insert the words "or District Court of the Northern Mariana Islands, as the case may be".

SECTION 202

Section 202 would authorize $24.4 million (indexed to October 1979 prices) for health care services in the Northern Mariana Islands.

The $24,400,000 authorization for health care facilities for 16,000 people appears to us to be excessive when compared with health care facility costs in the Virgin Islands and Guam. While we agree that current facilities are in need of upgrading, their ultimate cost should

be more in line with health facility funds already appropriated for Guam and authorized to be spent in the Virgin Islands. Public Law 95-134 authorized $25,000,000, which has been appropriated for the purchase of a modern 250-bed hospital facility to service 100,000 people on Guam. Public Law 95-348 authorized about $52,000,000 for two 250-bed hospitals on St. Croix and St. Thomas, a small facility on St. John, and related outpatient facilities and clinics to service a 1983 population of 161,000 in the Virgin Islands.

Additionally a 90-bed hospital in the Northern Marianas would provide 5.6 beds per thousand people; the HEW ceiling standard recommends 4 beds per thousand. Considering these statistics, the proposed facilities appear to be larger than necessary for the population of the Northern Marianas and the projected costs for the facilities appear to be excessive. Furthermore, the ability of the government of the Northern Marianas to staff and maintain elaborate facilities on a cost-effective basis is uncertain.

We do not doubt that upgraded facilities are necessary. At the present time, however, we cannot offer a firm figure to substitute for the one in the bill.

The Administration, therefore, cannot support the authorization contained in section 202. The Department of the Interior will undertake, in cooperation with the Department of Health, Education, and Welfare, to report to the Congress by June 1, 1980, as to the Northern Marianas hospital needs and their costs. We would not object to such an endeavor's being statutorily required.

SECTIONS 203, 301, 402, AND 502

Sections 203, 301, 402, and 502 would have the Secretary of the Treasury administer and enforce, to varying degrees, income tax and customs laws in the territories of the Northern Mariana Islands, Guam, the Virgin Islands, and American Samoa. We understand that the sponsors of this concept believe that additional revenue would accrue to the territorial governments under administration and collection of taxes and duties by the Internal Revenue Service.

The Department of the Interior defers on this issue to the Department of Treasury, which will present a detailed report on these sections for the Administration.

We stress, however, that the issues raised by these sections are complex. Customs laws, which may be Federal or local, may be applicable in one territory but not another. Also, the application of United States income tax laws differs from territory to territory. For example, the mirror theory of taxation applies in the Virgin Islands, but not in the other territories; United States income tax laws apply in Samoa, not by virtue of Federal enactment but by virtue of territorial incorporation of Federal law.

The collection of taxes has been traditionally the function of local territorial governments. The Governors of Guam and the Virgin Islands believe that the Federal administration of taxes would intrude into territorial prerogatives and therefore oppose mandatory Federal collection of territorial taxes. We agree that the proposal now contained in H.R. 3756 raises a significant question as to whether it reverses the long-standing United States Government policy of fostering greater local self-government for the territories.

The Interagency Task Force reviewing territorial policy is addressing various issues, including tax administration, considered in these sections. Presidential decisions will be forthcoming later this year. Among the options to be considered by the Administration will be Federal training and technical assistance for territorial tax collection agencies.

SECTION 204

Section 204 would extend the date of initial applicability of the Federal income tax to the Northern Mariana Islands from January 1, 1979, to January 1, 1982. Federal income tax laws became applicable to the Northern Mariana Islands beginning January 1, 1979. The Administration has no objection to section 204.

The Governor of the Northern Mariana Islands states that section 204 would result in the loss of approximately $300,000 in revenue to the Northern Marianas' treasury and he prefers the provisions of section 3(d) of P.L. 95-348 to section 204.

SECTION 205

Section 5(g) of Public Law 95-348 authorized $3,000,000 for the "development, maintenance and operation" of the American Memorial Park on Saipan. The Government of the Northern Mariana Islands is interested in developing the park as a memorial to those who died in World War II fighting on Saipan and as a facility for recreation. Section 205 of H.R. 3756 would provide for an open-ended authorization for maintenance and operation, and up to $3,000,000 for development. The Administration supports section 205.

SECTION 302

Section 302 would forgive the payment of interest by Guam on all funds borrowed pursuant to the Guarm Rehabilitation Act of November 4, 1963, and would apply interest already paid against principal owed.

The 1963 Act was designed to aid Guam in its rehabilitation after the destruction of typhoon Karen in 1962. The amount originally borrowed under the authorization was $41,500,000. Principal in the amount of $5,900,000 and interest in the amount of $18,000,000 have been paid by Guam through May 15, 1979. If previously paid interest were converted to principal according to H.R. 3756, the principal outstanding would be reduced from $35,600,000 to $17,500,000.

The Administration continues to oppose debt forgiveness for Guam because valid existing debts should be repaid in order to affirm the principle of fiscal responsibility.

SECTION 303

Section 303 would extend from December 31, 1980, to December 31, 2010, the loan to the Guam Power Authority (approximately $36,000,000) guaranteed by the Secretary of the Interior against the possibility that the Guam Power Authority may not be able to refinance this obligation in the private market by December 31, 1980; provide for repayment through the Government of Guam; and forgive interest to the Government of Guam.

The Administration supports extension of the guarantee and loan. However, as noted below, we favor modifying certain aspects of this section.

In particular, we object to the provisions whereby the Guam Power Authority must pay principal and interest to the Government of Guam, but the Government of Guam is forgiven the payment of interest to the Federal Government. Such a plan would constitute a windfall to the Government of Guam financed by the customers of the Guam Power Authority and the Federal Government. The 1976 loan to the Guam Power Authority was a business loan to a failing public utility. The Secretary of the Interior guaranteed the loan on the authority given him by the United States Congress and is liable to the Federal Financing Bank for the unpaid principal and interest. Nonpayment of interest beyond December 31, 1980, as proposed by section 303, would leave the Secretary of the Interior with a liability for which no funds are appropriated. While we support an extension, we object strenuously to the nonpayment of interest provision of section 303.

We have been informed by officials of the Guam Power Authority that, with the approval by the Public Utility Commission of two rate increases, the Guam Power Authority will be able to achieve a 2.0 ratio of income to debt service requirements that would make its long-term obligations attractive to the private bond market. Assuming that such a ratio could be maintained, it is anticipated that within 10 years or less the Authority will be able to obtain private financing and end its dependence on the Federal guarantee and loan. We understand that, for this reason, the Guam Power Authority would prefer a 10-year extension contained in section 303, which provides for the amortization of a principal.

There is ample incentive for the Guam Power Authority to return to the private market as soon as possible. The private tax free bond rates should be substantially less than comparable Federal rates. Additionally, Guam Power Authority is very much interested in reestablishing its credit rating in order to reenter the private bond market for expansion financing. The Administration endorses the idea of a 10-year extension and proposes that the following language be substituted for the current language of section 303:

> SEC. 303. Section 11 of the Organic Act of Guam (64 Stat. 387; 48 U.S.C. 1423a), as amended, is hereby amended by deleting all after the words "December 31, 1980.", and substituting the following language:
>
> > The Secretary, upon determining that the Guam Power Authority is unable to refinance on reasonable terms the obligations purchased by the Federal Financing Bank under the fifth sentence of this section by December 31, 1980, may, with the concurrence of the Secretary of the Treasury, guarantee for purchase by the Federal Financing Bank, and such bank is authorized to purchase, obligations of the Guam Power Authority issued to refinance the principal amount of the obligations guaranteed under the fifth sentence of this section. The obligations that refinance such principal amount shall mature not later than December 31, 1990, and shall bear interest at a rate determined in accordance with section 6 of the Federal Financing Bank Act (12 U.S.C. 2285). Should the

Guam Power Authority fail to pay in full any installment of interest or principal when due on the bonds or other obligations guaranteed under this section, the Secretary of the Treasury, upon notice from the Secretary, shall deduct and pay to the Federal Financing Bank or the Secretary, according to their respective interests, such unpaid amounts from sums collected and payable pursuant to section 30 of this Act (48 U.S.C. 1421h). Notwithstanding any other provisions of law, Acts making appropriations may provide for the withholding of any payments from the United States to the Government of Guam which may be or may become due pursuant to any law and offset the amount of such withheld payments against any claim the United States may have against the Government of Guam or the Guam Power Authority pursuant to this guarantee. For the purposes of this Act, under section 3466 of the Revised Statutes (31 U.S.C. 191) the term "person" includes the Government of Guam and Guam Power Authority. The Secretary may place such stipulations as he deems appropriate on the bonds or other obligations he guarantees.

SECTION 401

Section 401 would extend the guaranteed borrowing authority granted to the Virgin Islands under P.L. 94–392 from the October 1, 1979 deadline to October 1, 1989. The purpose of P.L. 94–392 was to provide construction funds for economic stimulation in 1976 and for urgently needed public facilities. The Government of the Virgin Islands has not, however, used much of this guaranteed borrowing authority granted the Virgin Islands under the above-cited Public Law, only $22,000,000 had been drawn down by June 1, 1979. An additional $10,000,000 is available to be drawn down for projects approved by this Department. Of the $22,000,000 in cash transferred to the Virgin Islands, only $5,000,000 has been obligated, leaving $17,000,000 unused. Only $3,000,000 has been actually paid out for construction. The Virgin Islands is paying interest and principal to the Federal Financing Bank on the $22,000,000 but also receiving interest on its deposits.

The Administration recommends a three year extension, until 1982, and we further recommend that all funds borrowed, but not obligated by that time, be returned to the lending institution from which they were borrowed. Such a plan would encourage the early obligation of funds with the benefit of meeting some of the urged capital improvement needs of the territory.

SECTION 403

Section 403 would transfer to the Virgin Islands property that was acquired from Denmark by the United States and that was not reserved or retained by the United States in accordance with provisions of P.L. 93–435.

In addition, a Committee amendment to the original Administration proposals includes parcels of land on St. Croix purchased by the Government of the Virgin Islands from the General Services Administration (GSA), subject to a mortgage. It is our understanding that

the GSA and Virgin Islands officials discussed the matter of release of approximately ten, of more than 230, acres mortgaged in order to construct a National Guard armory. The amount owing on the ten acres is approximately $125,000. The outstanding balance on the 230+ acres is approximately $2,800,000. GSA is willing to grant such a release upon payment in full of the amount owing on the ten acres. The committee amendment appears to be an attempt to release the 230+ acres from the mortgage. Section 403, however, mentions nothing about a release from the mortgage, and, in fact, states that the transfer of the 230+ acres would be "subject to valid existing rights, . . ." (the mortgage).

The Administration recommends (1) that the substance of section 403 be returned to the form in which it originally appeared in section 404 of H.R. 3756 as introduced, and (2) that the House Committee amendment be stricken and a new section be added to H.R. 3756, at the end of title IV, to read as follows:

> SEC. . The General Services Administsration shall release from the mortgage dated January 26, 1972, given by the Government of the Virgin Islands to the Administrator of the General Services Administration, approximately ten acres of such mortgaged land for construction of the proposed St. Croix armory upon payment by the Government of the Virgin Islands of the outstanding principal due on such ten acres.

This proposed new section would allow construction of the armory and at the same time permit fulfillment of Virgin Islands contractual obligations.

SECTION 404

Section 404 would require express approval of the House Committee on Interior and Insular Affairs and the Senate Committee on Energy and Natural Resources for any extension, renewal, or renegotiation of the lease of real property on Water Island, to which the United States is a party, before 1992. We defer to the Department of Justice for the position of the Administration on this matter.

SECTION 405

Section 405(a) would reinstate (with the exception of the deduction attributable to preclearance operations) the deduction of the cost of collection from duties, taxes, and fees covered into the treasury of the Virgin Islands for the period from August 18, 1978, to January 1, 1982. If sections 402 and 405 are both enacted as currently written, they would be in conflict with each other during the 1978–1982 period. Section 402 would require the Secretary of the Treasury to collect all customs duties derived from the Virgin Islands "without cost to the government of the Virgin Islands." Section 405(a) states that such duties will be covered into the treasury of the Virgin Islands "less the cost of collecting."

Section 405(b) is intended as a conforming amendment. Language would be inserted in section 4(c)(2) of the Act of August 19, 1978, after the phrase "the amount of duties, taxes, and fees." That phrase appears three times in section 4(c)(2). The Administration supports enactment of section 405(b) if section 405(a) is enacted. In the interest of clarity, however, we suggest that the period at the end of sec-

tion 405(b) be stricken and that the words "wherever the latter phrase appears." be inserted in lieu thereof.

SECTION 501

Section 501 would provide for the payment of salary and expenses of the government comptroller for American Samoa by the Department of the Interior. This Department is already paying such salary and expenses and thus the Administration has no objection to section 501.

SECTION 601

Seection 601 would require the consolidation of all Department of the Interior grants-in-aid to a territory by making certain optional provisions of Title V of P.L. 95-134 mandatory. It would also waive and requirements for local matching funds and for written application or reports associated with such grants.

The Administration opposes this provision because it believes that the Department of the Interior should not be singled out in this manner. The Department has only four programs that provide the type of grants to the territories that we believe Title V of P.L. 95-134 was intended to cover. The grants of two of these programs have already been consolidated. The Department has under consideration the possibility of consolidating the other two grant-in-aid programs. Further, the Department of the Interior has explored the implications of waiving local matching requirements for these grants before deciding to await the results of the ongoing Interagency Policy Review on Territories.

It also appears that the provisions of section 601 would apply to the various forms of financial assistance provided annually to the territories through appropriations to the Department's Office of Territorial Affairs. If so, it would be possible for a territory to utilize funds appropriated for the construction of health care facilities for other purposes authorized by grants provided by the Department, such as historic preservation. The Administration does not believe that this type of flexibility is in the best interests of the territories or the Federal Government.

SECTION 602

Section 602 provides that moneys authorized by this Act but not appropriated would be authorized for succeeding years. The Administration has no objection to section 602.

SECTION 603

Section 603 provides that governments of the territories and Trust Territory of the Pacific Islands may avail themselves of the services, facilities, and equipment of agencies and instrumentalities of the United States Government on a reimburseable basis. Federal services, facilities, and equipment now extended to the territories on a nonreimbursable basis would continue to require no reimbursement. The Administration has no objection to section 603.

SECTION 604

Section 604 would make authorizations for appropriations enacted under H.R. 3756 effective on October 1, 1979. The administration has no objection to section 604.

SECTION 605

Section 605 would provide that new borrowing, or paying, authority provided in H.R. 3756 would be effective only to the extent and in such amounts as are provided in advance in appropriation Acts. The Administration has no objection to section 605.

In addition to the provisions included in H.R. 3756 as passed by the House of Representatives, the Administration recommends the enactment of two other provisions.

The first of these provisions involves additional compensation for a limited number of nuclear fallout victims.

Section 104 of P.L. 95-134, paragraph a(1), provided for the compensation to the inhabitants of Rongelap Atoll and Utirik Atoll for removal of the thyroid gland or a neurofibroma in the neck or the development of hypothyroidism or a radiation-related malignancy that may have arisen due to radiation exposure sustained as a result of a thermonuclear detonation at Bikini Atoll in the Marshall Islands on March 1, 1954. At the time, P.L. 95-135 (H.R. 6550) was being considered, all concerned with the problem of the fallout victims believed that section 104 of H.R. 6550 covered all potential cases for compensation.

Recently, however, several cases which warrant additional compensation have been called to our attention. These cases involve individuals who have already received compensation under section 104(a)(1) of P.L. 95-134. In the opinion of the Administration, these individuals should receive additional compensation. However, this Department's Solicitor has determined that one of the individuals is not entitled to receive additional payments under section 104(a)(3) of P.L. 95-134, since she received compensation under section 104(a)(1).

Two of these individuals were compensated under section 104(a)(1) for one condition and later developed another condition listed is section 104(a)(1). The third individual of whom we are aware had her parathyroid glands removed in error at the U.S. Naval Hospital in Guam. It was her thyroid gland which should have been removed because of her exposure to radioactive material which fell on Rongelap in 1954. The parathyroidectomy presents a more serious condition than a thyroidectomy, with more serious consequences.

In view of the very special circumstances surrounding these cases, the Administration requests that the Secretary be authorized to grant additional compassionate compensation. It recommends the following corrective legislation:

> SEC. 104(a)(3) of Public Law 95-134 (91 Stat. 1159) is hereby amended by deleting all after the word "cause" and inserting in lieu thereof the following words, ", even if such an individual has been compensated under paragraph (1) of this section.".

While it is possible under this language for a person to receive a third payment if he suffers a third paragraph (1) malady, no such cases have arisen. We hope none do arise. But if they do, we believe such individuals are entitled to additional compensation. Our proposed amendment to section 104(a)(3) would preserve the Secretary's right

to determine the amount of additional payment for another malady, and indeed, whether or not such payment shall be made at all.

Congress has appropriated sufficient funds for compensation of the Rongelap and Utirik fallout victims entitled to payment under P.L. 95-134, including a small reserve for contingency cases. In addition to this request for legislation, the Secretary intends to make a full report, as required in P.L. 95-134, by December 31, 1980, concerning whether or not additional compassionate compensation may be justified for individuals on Rongelap and Utirik Atolls.

The second provision we recommend be added to H.R. 3756 involves the location of sessions of Legislature of the Virgin Islands. By resolution numbered 976, the 13th Legislature of the Virgin Islands has requested that the Revised Organic Act of the Virgin Islands be amended to permit sessions of the Legislature to be held other than in the capitol of the Virgin Islands at Charlotte Amalie, St. Thomas. It is believed that the requirement that such sessions be held in St. Thomas precludes greater participation in the governmental process by residents of St. Croix and St. John. The Administration recommends that the request of the Legislature be accommodated and that H.R. 3756 be amended by adding the following language:

> Sec. . The Revised Organic Act of the Virgin Islands is amended by deleting subsection 7(b) (68 Stat. 500; 48 U.S.C. 1573(b)).

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

JAMES A. JOSEPH,
Under Secretary.

CHANGES IN EXISTING LAW

In compliance with subsection 4 of Rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill H.R. 3756, as ordered reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

ACT OF JUNE 30, 1954

(68 Stat. 330)

SEC. 2. * * * and such amounts as were authorized but not appropriated for fiscal years 1975, 1976, and 1977; for fiscal year 1978, $90,000,000; for fiscal year 1979, $122,700,000; for fiscal year 1980, $112,000,000; [".] *for fiscal years after fiscal year 1980, such sums as may be necessary, including, but not limited to, sums needed for completion of the capital improvement programs, for a basic communications system, and for a feasibility study and construction of a hydroelectric project on Ponape."*

* * * * * * *

Sec. 4. (a) The government comptroller for Guam appointed pursuant to the provisions of section 1422d of this title shall, in addition

to the duties imposed on him by the Organic Act of Guam, carry out, on and after September 21, 1973, the duties set forth in this section with respect to the [government of the Trust Territory of the Pacific Islands] *governments of the Trust Territory of the Pacific Islands or the Northern Mariana Islands.* In carrying out such duties, the comptroller shall be under the general supervision of the Secretary of the Interior and shall not be a part of any executive department in the [government of the Trust Territory of the Pacific Islands] *governments of the Trust Territory of the Pacific Islands or the Northern Mariana Islands.*

(b) The government comptroller shall audit all accounts and review and recommend adjudication of claims pertaining to the revenue and receipts of the [government of the Trust Territory of the Pacific Islands] *governments of the Trust Territory of the Pacific Islands or the Northern Mariana Islands* and of funds derived from bond issues; and he shall audit, in accordance with law and administrative regulations, all expenditures of funds and property pertaining to the [government of the Trust Territory of the Pacific Islands] *governments of the Trust Territory of the Pacific Islands or the Northern Mariana Islands* including those pertaining to trust funds held by such government.

(c) It shall be the duty of the government comptroller to bring to the attention of the Secretary of the Interior and the High Commissioner of the Trust Territory of the Pacific Islands *or Governor of the Northern Mariana Islands, as the case may be,* all failures to collect amounts due the government, and the expenditures of funds or uses of property which are irregular or not pursuant to law. The audit activities of the government comptroller shall be directed so as to (1) improve the efficiency and economy of programs of the [government of the Trust Territory of the Pacific Islands] *governments of the Trust Territory of the Pacific Islands or the Northern Mariana Islands*, and (2) discharge the responsibility incumbent upon the Congress to insure that the substantial Federal revenues which are covered into the treasury of such government are properly accounted for and audited.

(d) The decisions of the government comptroller shall be final except that appeal therefrom may, with the concurrence of the High Commissioner, *or Governor, as the case may be*, be taken by the party aggrieved or the head of the department concerned, within one year from the date of the decision, to the Secretary of the Interior, which appeal shall be in writing and shall specifically set forth the particular action of the government comptroller to which exception is taken, with the reasons and the authorities relied upon for reversing such decision.

(e) If the High Commissioner *or Governor, as the case may be,* does not concur in the taking of an appeal to the Secretary, the party aggrieved may seek relief by suit in the District Court of Guam, *or District Court of the Northern Mariana Islands, as the case may be,* if the claim is otherwise within its jurisdiction. No later than thirty days following the date of the decision of the Secretary of the Interior, the party aggrieved or the High Commissioner, *or Governor, as the case may be,* on behalf of the head of the department concerned, may seek relief by suit in the District Court of Guam, *or District Court*

of the Northern Mariana Islands, as the case may be, if the claim is otherwise within its jurisdiction.

(f) The government comptroller is authorized to communicate directly with any person or with any department officer or person having official relation with his office. He may summon witnesses and administer oaths.

(g) As soon after the close of each fiscal year as the accounts of said fiscal year may be examined and adjusted, the government comptroller shall submit to the High Commissioner *or Governor, as the case may be,* and the Secretary of the Interior an annual report of the fiscal condition of the government, showing the receipts and disbursements of the various departments and agencies of the government. The Secretary of the Interior shall submit such report along with his comments and recommendations to the President of the Senate and the Speaker of the House of Representatives.

(h) The government comptroller shall make such other reports as may be required by the High Commissioner, *or Governor, as the case may be,* the Comptroller General of the United States, or the Secretary of the Interior.

(i) The office and activities of the government comptroller pursuant to this section shall be subject to review by the Comptroller General of the United States, and reports thereon shall be made by him to the High Commissioner, *or Governor, as the case may be,* the Secretary of the Interior, the President of the Senate and the Speaker of the House of Representatives.

(j) All departments, agencies, and establishments shall furnish to the government comptroller such information regarding the powers, duties, activities, organization, financial transactions, and methods of business of their respective offices as he may from time to time require of them; and the government comptroller, or any of his assistants or employees, when duly authorized by him, shall, for the purpose of securing such information, have access to and the right to examine any books, documents, papers, or records of any such department, agency, or establishment.

ACT OF OCTOBER 15, 1977

(91 Stat. 1160)

* * * * * * *

SEC. 106. (a) In addition to any other payments or benefits provided by law to compensate inhabitants of the atolls of Bikini, Enewetak, Rongelap, and Utirik, in the Marshall Islands, for radiation exposure or other losses sustained by them as a result of the United States nuclear weapons testing program at or near their atolls during the period 1946 to 1958, the Secretary of the Interior (hereinafter in this section referred to as the "Secretary") shall provide for the people of the Atolls of Bikini, Enewetak, Rongelap, and Utirik and for the people of such other atolls as may be found to be or to have been exposed to radiation from the nuclear weapons testing program a program of medical care and treatment and environmental

research and monitoring for any injury, illness, or condition which may be the result directly or indirectly of such nuclear weapons testing program. The program shall be implemented according to a plan developed by the Secretary in consultation with the Secretaries of Defense, Energy and Health, Education, and Welfare and with the direct involvement of representatives from the people of each of the affected atolls and from the government of the Marshall Islands. The plan shall set forth, as appropriate to the situation, condition, and needs of the individual atoll peoples:

(1) an integrated, comprehensive health care program including primary, secondary, and tertiary care with special emphasis upon the biological effects of ionizing radiation;

(2) a schedule for the periodic comprehensive survey and analysis of the radiological status of the atolls to and at appropriate intervals, but not less frequently than once every five years, the development of an updated radiation dose assessment, together with an estimate of the risks associated with the predicted human exposure, for each such atoll; and

(3) an education and information program to enable the people of such atolls to more fully understand nuclear radiation and its effects;

(b)(1) The Secretary shall submit the plan to the Congress no later than January 1, 1981 together with his recommendations, if any, for further legislation. The plan shall set forth the specific agencies responsible for implementing the various elements of the plan. With respect to general health care the Secretary shall consider, and shall include in his recommendations, the feasibility of using the Public Health Service. After consultation with the Chairman of the National Academy of Sciences, the Secretary of Energy, the Secretary of Defense, and the Secretary of Health, Education, and Welfare, the Secretary shall establish a scientific advisory committee to review and evaluate the implementation of the plan and to make such recommendations for its improvement as such committee deems advisable.

(2) At the request of the Secretary, any Federal agency shall provide such information, personnel, facilities, logistical support, or other assistance as the Secretary deems necessary to carry out the functions of this program; the costs of all such assistance shall be reimbursed to the provider thereof out of the sums appropriated pursuant to this section.

(3) All costs associated with the development and implementation of the plan shall be assumed by the Secretary of Energy and there are authorized to be appropriated to the Secretary of Energy such sums as may be necessary to achieve the purposes of this section.

(c) The Secretary shall report to the appropriate committees of the Congress, and to the people of the affected atolls annually, or more frequently if necessary, on the implementation of the plan. Each such report shall include a description of the health status of the individuals examined and treated under the plan, an evaluation by the scientific advisory committee, and any recommendations for improvement of the plan. The first such report shall be submitted not later than January 1, 1983.

ACT OF OCTOBER 15, 1977

(91 Stat. 1160)

* * * * * * *

SEC. 104. (a) In addition to appropriations authorized to compensate inhabitants of Rongelap Atoll and Utirik Atoll in the Trust Territory of the Pacific Islands for radiation exposure sustained by them as a result of a thermonuclear detonation at Bikini Atoll in the Marshall Islands on March 1, 1954, pursuant to the Act of August 22, 1964 (78 Stat. 598), effectve October 1, 1977, there are authorized to be appropriated such amounts as may be necessary to carry out the provisions of this section and the Secretary of the Interior (hereafter in this section referred to as the "Secretary") is authorized and directed to make the payments as hereafter provided in this paragraph to indviduals, or to their heirs or legatees, as the case may be, who were on March 1, 1954, residents on Rongelap Atoll or Utirik Atoll in the Marshall Islands:

(1) The Secretary shall pay $25,000 to each such individual from whom the thyroid gland or a neurofibroma in the neck was surgically removed, or who has developed hypothyriodism, or who develops a raditation-related malignancy, such as leukemia.

(2) The Secretary shall pay $1,000 to each individual who, on such date, was a resident on Utirik Atoll.

(3) Where circumstances warrant, as he shall determine, the Secretary shall pay an amount not in excess of $25,000 as he determines to be an appropriate compassionate compensation to each such individual who has suffered any physical injury or harm from a radiation-related cause [but who is not an individual described in paragraph (1).] , *even if such an individual has been compensated under paragraph (1) of this section.*

ACT OF AUGUST 18, 1978

(Public Law 95-348)

* * * * * * *

AMERICAN MEMORIAL PARK

SEC. 5. (a) The Secretary, acting through the Director of the National Park Service, is authorized and directed to develop, maintain, and administer the existing American Memorial Park (hereinafter in this section referred to as the "park"), located at Tanapag Harbor Reservation, Saipan. The park shall be administered for the primary purpose of honoring the dead in the World War II Mariana Islands campaign.

(b) The Secretary is authorized and directed to the maximum extent feasible to employ and train residents of the Mariana Islands to develop, maintain, and administer the park.

(c) Other points in the Northern Mariana Islands relevant to the park may be identified, established, and marked by the Secretary in agreement with the Governor of the Northern Marianas.

(d) The Secretary shall provide for interpretative activities at the park, for which he is authorized to seek the assistance of appropriate historians to interpret the historical aspects of the park. To the great-

est extent possible, interpretative activities shall be conducted in the following four languages: English, Chamorro, Carolinian, and Japanese.

(e) Notwithstanding any provision of law to the contrary, no fee or charge may be imposed for entrance or admission into the American Memorial Park.

(f) The Secretary shall transfer administration of the park to the government of the Northern Mariana Islands at such time as the Governor, acting pursuant to legislation enacted in accordance with sections 5 and 7 or article II of the Constitution on the Northern Mariana Islands, requests such a transfer. All improvements, including real and personal property, shall thereupon be transferred without cost to the government of the Northern Mariana Islands and thereafter the full cost of development, administration, and maintenance for the park shall be borne by the government of the Northern Mariana Islands, except as provided in subsection (g) of this section.

(g) For the development, maintenance, and operation of the park (but not for any acquisition of land or interests in lands), there is hereby authorized to be appropriated [not to exceed $3,000,000] *such sums as may be necessary, but not to exceed $3,000,000 for development* effective October 1, 1978. Amounts appropriated pursuant to this subsection shall remain available until expended.

(h) Nothing contained in this Act is intended to alter or diminish the authority to exercise the five year option contained in article VIII of Public Law 94–241.

* * * * * * *

Guam Organic Act

(48 U.S.C. 1421)

Sec. 11. The legislative power of Guam shall extend to all subjects of legislation of local application not inconsistent with the provisions of this Act and the laws of the United States applicable to Guam. Taxes and assessments on property, internal revenues, sales, license fees, and royalties for franchises, privileges and concessions may be imposed for purposes of the government of Guam as may be uniformly provided by the Legislature of Guam, and when necessary to anticipate taxes and revenues, bonds and other obligations may be issued by the government of Guam: Provided, however, That no public indebtedness of Guam shall be authorized allowed in excess of 10 per centum of the aggregate tax valuation of the property in Guam. Bonds or other obligations of the government of Guam payable solely from revenues derived from any public improvement or undertaking shall not be considered public indebtedness of Guam within the meaning of this section. All bonds issued by the government of Guam or by its authority shall be exempt, as to principal and interest, from taxation by the Government of the United States or by the government of Guam, or by any State or Territory or any political subdivision thereof, or by the District of Columbia. The Secretary of the Interior (hereafter in this section referred to as 'Secretary') is authorized to guarantee for purchase by the Federal Financing Bank bonds or other obligations of the Guam Power Authority maturing on or before December 31, 1978, which shall be issued in order to refinance short-term notes due or existing on June 1, 1976 and other indebtedness not evidenced by

bonds or notes in an aggregate amount of not more than $36 million, and such bank, in addition to its other powers, is authorized to purchase, receive or otherwise acquire these same. The interest rate on obligations purchased by the Federal Financing Bank shall be not less than a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities, adjusted to the nearest one-eighth of 1 per centum, plus 1 per centum per annum. The Secretary, with the concurrence of the Secretary of the Treasury, may extend the guarantee provision of the previous sentence until December 31, 1980. [Such guaranteed bonds or other obligations shall, while outstanding, include a provision for semiannual payments of interest only. If the Secretary determines that the Guam Power Authority will not meet its obligation to pay interest, the Secretary shall request the Secretary of the Treasury to deduct such payments from sums collected and paid pursuant to Section 30 of this Act (48 U.S.C. 1421h).]

The Secretary, upon determining that the Guam Power Authority is unable to refinance on reasonable terms the obligations purchased by the Federal Financing Bank under the fifth sentence of this section by December 31, 1980, may, with the concurrence of the Secretary of the Treasury, guarantee for purchase by the Federal Financing Bank; and such bank is authorized to purchase, obligations of the Guam Power Authority issued to refinance the principal amount of the obligations guaranteed under the fifth sentence of this section. The obligations that refinance such principal amount shall mature not later than December 31, 1990, and shall bear interest at a rate determined in accordance with section 6 of the Federal Financing Bank Act (12 U.S.C. 2285). Should the Guam Power Authority fail to pay in full any installment of interest or principal when due on the bonds or other obligations guaranteed under this section, the Secretary of the Treasury, upon notice from the Secretary, shall deduct and pay to the Federal Financing Bank or the Secretary, according to their respective interests, such unpaid amounts from sums collected and payable pursuant to Section 30 of this Act (48 U.S.C. 1421h). Notwithstanding any other provision of law, Acts making appropriations may provide for the withholding of any payments from the United States to the Government of Guam which may be or may become due pursuant to any law and offset the amount of such withheld payments against any claim the United States may have against the Government of Guam or the Guam Power Authority pursuant to this guarantee. For the purpose of this Act, under Section 3466 of the Revised Statutes (31 U.S.C. 191) the term "person" includes the Government of Guam and the Guam Power Authority. The Secretary may place such stipulations as he deems appropriate on the bonds or other obligations he guarantees.

PUBLIC LAW 95-134

* * * * * * *

SEC. 204. (a) Notwithstanding any law or court decision to the contrary, the District Court of Guam is hereby granted authority and jurisdiction to review claims of persons, their heirs or legatees, from whom interests in land on Guam were acquired other than through

judicial condemnation proceedings, in which the issue of compensation was adjudicated in a contested trial in the District Court of Guam, by the United States between July 21, 1944, and August 23, 1963, and to award fair compensation in those cases where it is determined that less than fair market value was paid as a result of (1) duress, unfair influence, or other unconscionable actions, or (2) unfair, unjust, and inequitable actions of the United States.

(b) Land acquisitions effected through judicial condemnation proceedings in which the issue of compensation was adjudicated in a contested trial in the District Court of Guam, shall remain res judicata and shall not be subject to review hereunder.

(c) Fair compensation for purposes of this Act is defined as such additional amounts as are necessary to effect payment of fair market value at the time of acquisition, if it is determined that, as a result of duress, unfair influence, or other unconscionable actions, fair market value was not paid. [Interest may not be allowed from the time of acquisition to the date of the award on such additional amounts as may be awarded pursuant to this section.]

(d) The District Court of Guam may employ and utilize the services of such special masters or judges as are necessary to carry out the intent and purposes hereof.

(e) Awards made hereunder shall be judgments against the United States.

(f) Attorney's fees paid by claimants to counsel representing them may not exceed 5 per centum of any additional award. Any agreement to the contrary shall be unlawful and void. Whoever, in the United States or elsewhere, demands or receives any remuneration in excess of the maximum permitted by this section shall be guilty of a misdemeanor and, upon conviction thereof, shall be fined not more than $5,000 or imprisoned not more than twelve months, or both. A reasonable attorney's fee may be awarded in appropriate cases.

(g) All agencies and departments of the United States Government shall, upon request, deliver to the court any documents, records, and writings which are pertinent to any claim under review.

SEC. 205. There is hereby authorized to be appropriated to the Secretary of the Interior such sums as may be necessary for grants to the Government of Guam to meet the health care needs of Guam, but not to exceed $25,000,000: *Provided*, That no grant may be made by the Secretary of the Interior pursuant to this section without the prior approval of the Secretary of Health, Education, and Welfare.

ACT OF NOVEMBER 4, 1963

(77 Stat. 302)

* * * * * * *

SEC. 3. The Secretary of the Treasury shall withhold from sums collected pursuant to section 30 of the Organic Act of Guam (48 U.S.C. 1421h), before such sums are transferred to the Government of Guam, such amount as the Secretary of the Interior estimates will reimburse the United States [, with interest as set forth below,] over a period of thirty years beginning June 30, 1968, for

(a) 100 per centum of such moneys as are paid under section 2 hereof for water projects, power projects, or telephone projects:

(b) 100 per centum of such moneys as are paid under section 2 hereof for use by the Government of Guam to permit Guam to qualify for participation in Federal programs; and

(c) 50 per centum of all other moneys as are paid under section 2 hereof.

[The foregoing amounts, until reimbursed to the United States, shall bear interest beginning July 1, 1968, at a rate determined by the Secretary of the Treasury, which rate shall be determined by the Secretary of the Treasury, taking into consideration the average yield on outstanding marketable obligations of the United States of comparable maturities as of the last day of the month preceding the advance, adjusted to the nearest one-eighth of 1 per centum. All sums so withheld shall be deposited in the Treasury of the United States as miscellaneous receipts.]

All amounts heretofore withheld from sums collected pursuant to section 30 of the said Organic Act as interest on the amounts made available to the government of Guam pursuant to this Act shall be credited as reimbursement payments by Guam on the principal amount advanced by the United States under this Act.

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REVISED ORGANIC ACT OF THE VIRGIN ISLANDS

(48 U.S.C. 1642 et seq.)

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FISCAL PROVISIONS

§ 28. [Disposition of revenues—Use of certain proceeds for expenditures; income tax obligations of inhabitants]

(a) The proceeds of customs duties, the proceeds of the United States income tax, the proceeds of any taxes levied by the Congress on the inhabitants of the Virgin Island, and the proceeds of all quarantine, passport, immigration, and naturalization fees collected in the Virgin Islands, *less the cost of collecting, except any costs for preclearance operations which shall not be deducted, of all said duties, taxes, and fees from August 18, 1978, until January 1, 1982*, shall be covered into the treasury of the Virgin Islands, and shall be available for expenditure as the Legislature of the Virgin Islands may provide: Provided, That the term "inhabitants of the Virgin Islands" as used in this section shall include all persons whose permanent residence is in the Virgin Islands, and such persons shall satisfy their income tax obligations under applicable taxing statutes of the United States by paying their tax on income derived from all sources both within and outside the Virgin Islands into the treasury of the Virgin Islands: Provided further, That nothing in this Act shall be construed to apply to any tax specified in section 311 of the Internal Revenue Code.

§ 31. [Lease, sale, and control of public property]

(a) The Secretary of the Interior shall be authorized to lease or to sell upon such terms as he may deem advantageous to the Government of the United States any property of the United States under his administrative supervision in the Virgin Islands not needed for public purposes.

(b) (*1*) The government of the Virgin Islands shall continue to have control over all public property that is under its control on the date of approval of this Act.—July 22, 1954, ch. 558, § 31, 68 stat. 510.

(*2*) *Subject to valid existing rights, title to all property in the Virgin Islands which may have been acquired by the United States from Denmark under the Convention entered into August 16, 1916, not reserved or retained by the United States in accordance with the provisions of Public Law 93–435 (88 Stat. 1210) is hereby transferred to the Virgin Islands government.*

PUBLIC LAW 95–348

* * * * * * *

VIRGIN ISLANDS

SEC. 4. (a) There is hereby authorized to be appropriated to the Secretary not to exceed $5,000,000 of which not more than $1,000,000 may be appropriated for fiscal year 1979 to be paid to the government of the Virgin Islands for the purpose of promoting economic development in the Virgin Islands. The Secretary shall prescribe the types of programs for which such sums may be used.

(b) (1) There is authorized to be appropriated for construction of hospital facilities in the Virgin Islands not more that $52,000,000 plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in construction costs from October 1978 price levels as indicated by engineering cost indexes applicable to the types of construction involved.

(2) Grants provided pursuant to this section and not obligated or expended by the government of the Virgin Islands during any fiscal year will remain available for obligation or expenditure by such government in subsequent fiscal years for the purposes for which the funds were appropriated.

(3) Funds provided under paragraph (b) (1) may be used by the Virginq Islands as the matching share of Federal programs and services.

(4) Authorizations of moneys to be appropriated under this subsection shall be effective on October 1, 1978.

(c) (1) Section 9(c) of the Revised Organic Act of the Virgin Islands (68 Stat. 497) is amended by deleting the period at the end thereof and inserting "or such other date as the Legislature of the Virgin Islands may determine.".

(2) Beginning as soon as the government of the Virgin Islands enacts legislation establishing a fiscal year commencing on October 1 and ending on September 30, the Secretary of the Treasury, prior to the commencement of any fiscal year, shall remit to the government of the Virgin Islands the amount of duties, taxes, and fees *less the cost of collecting all of said duties, taxes, and fees, occurring before January 1, 1982*, which the Governor of the Virgin Islands, with the concurrence of the government comptroller of the Virgin Islands, has estimated will be collected in or derived from the Virgin Islands under the Revised Organic Act of the Virgin Islands during the next fiscal year, except for those sums covered directly upon collection into the treasury of the Virgin Islands. There shall be deducted from or added to the amounts so remitted, as may be appropriate, at the beginning

of the fiscal year, the difference between the amount of duties, taxes and fees *less the cost of collecting all of said duties, taxes, and fees, occurring before January 1, 1982*, actually collected during the prior fiscal year and the amount of such duties, taxes *less the cost of collecting all of said duties, taxes, and fees, occuring before January 1, 1982*, as estimated and remitted at the beginning of that prior fiscal year, including any deductions which may be required as a result of the operation of Public Law 94–392 (90 Stat. 1195).

(3) Subsection 28(a) of the Revised Organic Act of the Virgin Islands is amended by deleting the phrase "less the cost of collecting all of said duties, taxes, and fees,".

[(d) There are hereby authorized to be appropriated to the Secretary such sums as may be necessary, but not to exceed $20,000,000 per annum, for fiscal years 1979, 1980, and 1981 for grants to the government of the Virgin Islands to offset any anticipated deficit during such fiscal years. The Secretary is authorized and directed, after consultation with the Governor of the Virgin Islands, to impose such conditions and requirements. on these grants as he deems advisable. Not later than July 1, 1979, the Secretary shall submit to the Congress a report on the financial condition of the Virgin Islands. The report shall:

[(1) identify, the specific sources of revenues, both Federal and local, available to the government of the Virgin Islands;

[(2) chart the revenues derived from each source and what, if any, increases could be occasioned in the amount of such revenues by actions of the Virgin Islands Government;

[(3) describe the extent to which changes in actual revenues were occasioned by actions of the Federal Government or by circumstances beyond the control of the Virgin Islands Government;

[(4) analyze expenditures to determine what economies, if any, could be obtained and identify the actions which could be taken by the Virgin Islands Government to obtain such economies;

[(5) review the long term debt structure of the Virgin Islands Government, including, but not limited to, whether such debt was incurred for purposes authorized by law, the total amount of such debt, the relation of the total debt ceiling, and the impact retirement of the debt will have on the future economic situation of the Virgin Islands;

[(6) detail and discuss various alternatives available to the government of the Virgin Islands and the Federal Government to revise and improve the process of supporting the necessary expenditures of the Virgin Islands Government; and

[(7) include his recommendations for any changes he deems advisable in the present Federal-territorial economic relationship.]

ACT OF MAR. 2, 1917

(Ch. 145, 39 Stat. 951)

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SEC. 7. That all property which may have been acquired in Puerto Rico by the United States under the cession of Spain in the treaty of peace, . . . in any public bridges, road houses, water powers, highways, unnavigable streams and the beds thereof, subterranean waters, mines

or minerals under the surface of private lands, all property which at the time of the cession belonged, under the law of Spain then in force, to the various harbor works boards of Puerto Rico, all the harbor shores, docks, slips, reclaimed lands, and all public lands and buildings not heretofore reserved by the United States for public purposes, is hereby placed under the control of the Government of Puerto Rico, to be administered for the benefit of the people of Puerto Rico; and the Legislature of Puerto Rico shall have authority; subject to the limitations imposed upon all of its acts, to legislate with respect to all such matters as it may deem advisable; Provided, that the President may from time to time, in his discretion, convey to the people of Puerto Rico such lands, buildings or interests in lands or other property now owned by the United States and within the territorial limits of Puerto Rico as in his opinion are no longer needed for purposes of the United States. And he may from time to time accept by legislative grant from Puerto Rico any lands, buildings or other interests or property which may be needed for public purposes by the United States. *Notwithstanding any other provision of law, as used in this section 'control' includes all right, title and interest in and to and jurisdiction and authority over the aforesaid property and includes proprietary rights of ownership, and the rights of management, administration, leasing, use and development of such property.*"

SEC. 8. That the harbor areas and navigable streams and bodies of water and submerged land underlying the same in and around the Island of Puerto Rico and the adjacent islands and waters, now owned by the United States and not reserved by the United States for public purposes be, and the same are hereby, placed under the control of the Government of Puerto Rico, to be administered in the same manner and subject to the limitations as the property enumerated in the preceding section; Provided that all laws of the United States for the protection and improvement of the navigable waters of the United States and the preservation of the interests of navigation and commerce, except so far as the same may be locally inapplicable, shall apply to said Island and waters and to its adjacent islands and waters; provided, further, that nothing in this Act contained shall be construed so as to affect or impair in any manner the terms or conditions of any authorizations, permits, or other powers heretofore lawfully granted or exercised in or in respect of said waters and submerged land in and surrounding said Island and its adjacent islands by the Secretary of War or other authorized officer or agent of the United States; and provided, further, that the Act of Congress approved June eleventh nineteen hundred and six, entitled 'An Act to empower the Secretary of War, under certain restrictions, to authorize the construction, extension, and maintenance of wharves, piers, and other structures on lands underlying harbor areas in navigable streams and bodies of water in or surrounding Puerto Rico and the islands adjacent thereto,' and all other laws and parts of laws in conflict with this section be, and the same are hereby, repealed.

Notwithstanding any other provision of law, as used in this section (1) submerged lands underlying navigable bodies of water include lands permanently or periodically covered by tidal waters up to but not above the line of mean high tide, all lands underlying the navigable bodies of water in and around the island of Puerto Rico and the ad-

jacent islands, and all artifically-made, filled in or reclaimed lands which formerly were lands beneath navigable bodies of water; (2) 'navigable bodies of water and submerged lands underlying the same in and around the island of Puerto Rico and the adjacent islands and waters' extend from the coast line of the island of Puerto Rico and the adjacent islands as heretofore or hereafter modified by accretion, erosion or reliction, seaward to a distance of three marine leagues; (3) 'control' includes all right, title and interest in and to and jurisdiction and authority over the submerged lands underlying the harbor areas and navigable streams and bodies of water in and around the island of Puerto Rico and the adjacent islands and waters, and the natural resources underlying such submerged lands and waters, and includes proprietary rights of ownership, and the rights of management, administration, leasing, use and development of such natural resources and submerged lands beneath such waters.

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