

**Public Law 101-219**  
**101st Congress**

**Joint Resolution**

Dec. 12, 1989  
[H.J. Res. 175]

To authorize entry into force of the Compact of Free Association between the United States and the Government of Palau, and for other purposes.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,*

**TITLE I—IMPLEMENTATION OF COMPACT OF FREE  
ASSOCIATION WITH PALAU**

48 USC 1681  
note.

**SEC. 101. ENTRY INTO FORCE OF COMPACT.**

Notwithstanding the provisions of Section 101(d)(1)(B) of Public Law 99-658, entry into force of the Compact of Free Association between the United States and Palau (set forth in title II of Public Law 99-658 and hereafter in this joint resolution referred to as the "Compact") in accordance with subsections (a) and (d) of section 101 of Public Law 99-658 (100 Stat. 3673) is hereby authorized—

(1) subject to the condition that the Compact, as approved by the Congress in Public Law 99-658, is approved by the requisite percentage of the votes cast in a referendum conducted pursuant to the Constitution of Palau, and such approval is free from any legal challenge, and

(2) upon expiration of 30 days, in which either the House of Representatives or the Senate of the United States is in session, after the President notifies the Committees on Interior and Insular Affairs and Foreign Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the Senate of the effective date of the Compact.

48 USC 1681  
note.

**SEC. 102. FISCAL PROCEDURES ASSISTANCE.**

Upon request of the Government of Palau, the Secretary of the Interior shall provide assistance to the Government of Palau to develop and promulgate regulations for the effective expenditure of funds received pursuant to this joint resolution, Public Laws 99-658 and 99-239, or any other Act of Congress.

48 USC 1681  
note.

**SEC. 103. ANTIDRUG PROGRAM.**

(a) **PLAN.**—The Department of the Interior shall develop, in cooperation with the Government of Palau and the National Drug Control Policy Office, a plan for an antidrug program in Palau. The plan shall be submitted to the Committees on Interior and Insular Affairs, Foreign Affairs, and Appropriations of the House of Representatives and the Committees on Energy and Natural Resources and Appropriations of the Senate by April 1, 1990. The plan shall: (1) identify the specific needs and costs of such an antidrug program; (2) shall identify all existing resources to be allocated for its implementation by the Government of the United States and the Government of Palau; and (3) shall recommend priority use for additional resources, assuming such resources are made available.

(b) **AGREEMENT.**—Following completion of the plan, the President and the Government of Palau shall negotiate an agreement to facilitate implementation of the plan. Such agreement may include—

President of U.S.

(1) that the Government of Palau may request, on a long-term or case-by-case basis, that the officers of United States law enforcement agencies may conduct investigations consistent with implementation of the plan in cooperation with the law enforcement agencies of the Government of Palau;

(2) that the Government of Palau or the Government of the United States may agree to provide specific resources, on a one-time or a multiyear basis, to strengthen the antidrug program; and

(3) a specific description of the technical assistance, training, and equipment to be provided to Palau by the United States necessary to implement the plan.

#### SEC. 104. PUBLIC AUDITOR AND SPECIAL PROSECUTOR.

President of U.S.  
48 USC 1681  
note.

(a) Upon request of the Government of Palau the President shall provide, on a nonreimbursable basis, appropriate technical assistance to the public auditor or special prosecutor. The assistance provided pursuant to this subsection for the first five years after the effective date of the Compact shall, upon the request of the Government of Palau, and to the extent personnel are available, include (but not be limited to) the full time services of—

(1) an auditor or accountant, as determined by the public auditor, for the office of public auditor; and

(2) an attorney or investigator, as determined by the special prosecutor, for the office of special prosecutor.

#### SEC. 105. POWER GENERATION.

Section 104(e) of Public Law 99-658 is amended to read as follows: “(e) Neither the Secretary of the Treasury nor any other officer or agent of the United States shall pay or transfer any portion of the sum and amounts payable to the Government of Palau pursuant to this joint resolution to any party other than the Government of Palau, except under the procedures established by the Compact and its related agreements. No funds appropriated pursuant to the Compact, this Act, or any other Act for grants or other assistance to Palau may be used to satisfy any obligation or expense incurred by Palau prior to November 14, 1986, with respect to any contract or debt related to any electrical generating plant or related facilities entered into or incurred by Palau which has not been specifically authorized by Congress in advance, except that the Government of Palau may use any portion of the annual grant under section 211(b) not required to be devoted to the energy needs of those parts of Palau not served by its central power generating facilities and any portion of the funds under section 212(b) of the Compact for such purpose.”

48 USC 1681  
note.

#### SEC. 106. AUDIT CERTIFICATION.

The chief officer of any agency conducting an audit pursuant to paragraph (1) of sections 102(c) and 103(m) of the Compact of Free Association Act of 1985 (Public Law 99-239) and section 101(d)(1)(C) of Public Law 99-658 shall certify that audit.

48 USC 1681  
note.

48 USC 1681  
note.

**SEC. 107. ACQUISITION OF DEFENSE SITES.**

The provisions of title III of the Compact relating to future use by the United States of defense sites in Palau do not restrict the authority of the President of the United States to—

- (1) request additional funding, subject to appropriation, related to the use of privately owned land in Palau pursuant to article II of title III of the Compact as may be appropriate in light of actual land use requirements, independent appraisals of such privately owned land accepted by both governments, and other appropriate documentation of actual land use costs; and
- (2) consent to an extension of the time set forth in a subsidiary agreement to such article in which the Government of Palau is required to make such land available to the United States.

Micronesia.  
Marshall  
Islands.  
48 USC 1681  
note.

**SEC. 108. FEDERAL PROGRAMS COORDINATION PERSONNEL.**

The Secretary of the Interior shall station at least one professional staff person in each of the Offices of the United States Representatives in the Republic of Palau, the Federated States of Micronesia, and the Republic of the Marshall Islands to provide Federal program coordination and technical assistance to such governments as authorized under Public Laws 99-239 and 99-658. In meeting the purposes of this section the Secretary shall select qualified persons following consultations with the Interagency Group on Freely Associated State Affairs.

48 USC 1681  
note.

**SEC. 109. REFERENDUM COSTS.**

The Secretary of the Interior shall provide such sums as may be necessary for a further referendum on approval of the Compact, if one is required, or other appropriate costs associated with the approval process in Palau.

48 USC 1681  
note.

**SEC. 110. AGREEMENTS.**

(a) **EFFECTIVE DATE OF CERTAIN AGREEMENTS.**—An agreement between the United States and the Government of the Republic of Palau consistent with the agreements approved by Public Law 101-62 (101 Stat. 162) shall take effect without further authorization thirty days after submission to Congress.

(b) **EXTENSIONS.**—The provisions of article IX, paragraph 5(a) of the Agreement referred to in section 462(e) of the Compact of Free Association as approved by Public Law 99-239, and article IX, paragraph 5(a) of the agreement referred to in section 462(f) of the Compact of Free Association for Palau as approved by Public Law 99-658, are extended, in accordance with the terms thereof, until October 1, 1998, unless earlier terminated or further extended by the laws of the United States.

99 Stat. 1833.  
100 Stat. 3702.

(c) **AUTHORIZATION.**—Funding to implement the provisions of this title, and for assistance to the central health care facility and the prison in Palau, and the offices of Public Auditor and Special Prosecutor as proposed in the agreement entitled "Agreement Concerning Special Programs related to the Entry into Force of the Compact of Free Association Between the Government of the United States and the Government of the Republic of Palau" signed on May 26, 1989, shall be available pursuant to the authorization in section 105(c) of Public Law 99-239 as referenced by section 102(b) of Public Law 99-658 or from funds appropriated for technical assistance to the Secretary of the Interior.

## SEC. 111. MODIFICATION OF ENERGY ASSISTANCE FUNDING.

48 USC 1681  
note.  
President of U.S.

(a) The President is authorized to negotiate and conclude an agreement, including the obligation of United States funds, with the Government of Palau which shall provide the following:

(1) The sum of \$28,000,000, adjusted by section 215 of the Compact at the time of its availability to Palau, shall be provided to Palau pursuant to section 211(b) of the Compact and upon entry into force of the Compact.

(2) Palau shall pay to the United States, on or before the 15th anniversary of the effective date of the Compact, an amount equal to the net economic cost to the United States of making available the section 211(b) funds in the manner specified in this subsection rather than as provided in section 211(b).

(3) Such economic cost shall reflect the time value of money and be determined using the rate determined for an equivalent loan by the Federal Financing Bank as of the date these funds are advanced, and using an inflation rate consistent with the determinations made under the provisions of section 215 of the Compact.

(4) If the Government of Palau has not paid such net economic costs to the United States by the 15th anniversary of the effective date of the Compact, then the United States shall be automatically paid such sums from the fund established under section 211(f) of the Compact.

(5) The provision of section 211(b) funds, as appropriated by Public Law 99-349 and pursuant to this subsection, shall be in fulfillment of all United States obligations under such section 211(b) of the Compact and shall be subject to section 236 of the Compact.

(b) Subject to the provisions of subsection (a) and upon the request of the Government of Palau, the sum of \$28 million appropriated by Public Law 99-349 to fulfill the obligations of the United States under section 211(b) of the Compact (approved in Public Law 99-658), adjusted by section 215 of such Compact, shall be provided to Palau upon entry into force of the Compact.

(c) Funding provided in Public Law 101-121 under the "Trust Territory of the Pacific Islands" appropriation account shall remain available until expended.

## SEC. 112. SUBMISSION OF AGREEMENTS.

48 USC 1681  
note.

Any agreement concluded with the Government of Palau pursuant to this joint resolution including the agreement entitled "Agreement Concerning Special Programs related to the Entry into Force of the Compact of Free Association Between the Government of the United States and the Government of the Republic of Palau" signed on May 26, 1989, and any agreement which would amend, change, or terminate any such agreement, or portion thereof, shall be submitted to the Congress and may not take effect until after 30 days after the date on which such agreement is so submitted. An amendment or agreement substituting or in addition to the subsidiary agreement negotiated under section 212(a) of the Compact or its annex shall take effect only when approved by an Act of Congress.

## SEC. 113. TRANSITION FUNDING.

48 USC 1681  
note.

For the purposes of applying section 105(c)(2) of the Compact of Free Association Act of 1985 (99 Stat. 1792) to Palau, the terms "fiscal year 1987", "fiscal year 1988", and "fiscal year 1989" in

section 104(c) of Public Law 99-658 shall be deemed to be the first, second, and third fiscal years, respectively, beginning after the effective date of the Compact.

## TITLE II—INSULAR AREAS MATTERS

48 USC 1681  
note.

### SEC. 201. CONTROLLED SUBSTANCES IN THE FREELY ASSOCIATED STATES.

President of U.S.

(a) **IN GENERAL.**—The President is authorized to negotiate agreements which provide—

(1) that the United States shall carry out the provisions of part C of the Controlled Substances Act (21 U.S.C. 821 et seq.) as necessary to provide for the lawful distribution of controlled substances in the freely associated states; and

(2) that a freely associated state which institutes and maintains a voluntary system to report annual estimates of narcotics needs to the International Narcotics Control Board, and which imposes controls on imports of narcotic drugs consistent with the Single Convention on Narcotic Drugs, 1961, shall be eligible for exports of narcotic drugs from the United States in the same manner as a country meeting the requirements of subsection (a) of section 1003 of the Controlled Substances Act (21 U.S.C. 953).

(b) **EFFECTIVE DATE.**—Agreements concluded pursuant to this section shall become effective pursuant to section 101(f)(5) of Public Law 99-239 or section 101(d)(5) of Public Law 99-658, as may be applicable.

Libraries.  
44 USC 1905  
note.

### SEC. 202. NORTHERN MARIANAS COLLEGE.

The Northern Marianas College is hereby constituted a depository to receive Government publications, and the Superintendent of Documents shall supply to the Northern Marianas College one copy of each such publication in the same form as supplied to other designated depositories.

### SEC. 203. VIRGIN ISLANDS.

The Revised Organic Act of the Virgin Islands is amended by striking out the second sentence of section 25 (48 U.S.C. 1615).

### SEC. 204. CABRAS ISLAND.

Section 818(b)(2) of Public Law 96-418 (94 Stat. 1782) (as amended by section 504 of Public Law 98-454 (98 Stat. 1736)) is amended by striking "30 percent" and inserting "50 percent".

Appropriation  
authorization.

### SEC. 205. POHNPEI HYDROPOWER ADDITION.

In addition to sums already appropriated for the Nanpil hydro-power project, there are hereby authorized to be appropriated to the Secretary of the Army up to \$6.5 million for design and construction of the hydropower addition to the Nanpil project. The Secretary of the Army is directed to use any funds appropriated pursuant to this authorization for the intended purposes, and under the same terms and conditions as sums previously provided.

### SEC. 206. CLARIFICATION WITH RESPECT TO ALLOTMENTS FOR TERRITORIES.

Section 901(a), Part 1, title I of the Act of June 19, 1968 (42 U.S.C. 3791(a)) is further amended in paragraph (2) by changing the proviso to read as follows: "Provided, That for the purpose of section 506(a),

American Samoa and the Commonwealth of the Northern Mariana Islands shall be considered as one state and that for these purposes 67 per centum of the amounts allocated shall be allocated to American Samoa, and 33 per centum to the Commonwealth of the Northern Mariana Islands.”

**SEC. 207. VIRGIN ISLANDS PRISON EXPANSION AND RENOVATION.**

Appropriation  
authorization.

There is authorized to be appropriated \$5,000,000 to the Secretary of the Interior for the Golden Grove Prison on St. Croix, United States Virgin Islands, and for renovation of and improvements of existing prison facilities.

**SEC. 208. OFFICE OF THE RESIDENT REPRESENTATIVE.**

Real property.  
Taxes.  
48 USC 1681  
note.

Real property owned by the Commonwealth of the Northern Mariana Islands in the capital of the United States and used by the Resident Representative thereof in the discharge of his representative duties under the Covenant shall be exempt from assessment and taxation.

Approved December 12, 1989.

**LEGISLATIVE HISTORY—H.J. Res. 175:**

SENATE REPORTS: No. 101-189 (Comm. on Energy and Natural Resources).  
CONGRESSIONAL RECORD, Vol. 135 (1989):

June 27, considered and passed House.

Nov. 21, considered and passed Senate, amended. House concurred in Senate amendment.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 25 (1989):

Dec. 12, Presidential statement.