

REFERENCES IN TEXT

The Covenant, referred to in text, is the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America, which is contained in section 1 of Pub. L. 94-241, set out as a note under section 1801 of this title.

CODIFICATION

Section was formerly set out as a note under section 1681 of this title.

§ 1803. Financial assistance to Government of Northern Mariana Islands

Pursuant to section 701 of the foregoing Covenant, enactment of this section shall constitute a commitment and pledge of the full faith and credit of the United States for the payment of \$228 million at guaranteed annual amounts of direct grant assistance for the Government of the Northern Mariana Islands for an additional period of seven fiscal years after the expiration of the initial seven-year period specified in section 702 of said Covenant, which assistance shall be provided according to the schedule of payments contained in the Agreement of the Special Representatives on Future United States Financial Assistance for the Government of the Northern Mariana Islands, executed July 10, 1985, between the special representative of the President of the United States and the special representatives of the Governor of the Northern Mariana Islands. The islands of Rota and Tinian shall each receive no less than a $\frac{1}{2}$ share and the island of Saipan shall receive no less than a $\frac{1}{4}$ share of annualized capital improvement project funds, which shall be no less than 80 per centum of the capital development funds identified in the schedule of payments in paragraph 2 of part II of the Agreement of the Special Representatives. Funds shall be granted according to such regulations as are applicable to such grants.

(Pub. L. 94-241, § 3, as added Pub. L. 99-396, § 10, Aug. 27, 1986, 100 Stat. 840.)

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USE OF ECONOMIC DEVELOPMENT LOAN FUNDS FOR CAPITAL IMPROVEMENT PROJECTS

Pub. L. 99-396, § 2, Aug. 27, 1986, 100 Stat. 838, authorized use of up to \$4,000,000 of funds reserved for use by the economic development loan fund, as established under section 702(c) of the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America, 48 U.S.C. 1801 note, for capital improvement projects, if such funds became available for use by the economic development loan fund, and were not obligated for economic development loans.

§ 1804. Direct grant assistance

(a) Composite price index adjustments not applicable

Section 704(c) of the foregoing Covenant shall not apply to the Federal financial assistance

which is provided to the Government of the Northern Mariana Islands pursuant to section 1803 of this title.

(b) Additional years of assistance

Upon the expiration of the period of Federal financial assistance which is provided to the Government of the Northern Mariana Islands pursuant to section 1803 of this title, payments of direct grant assistance shall continue at the annual level provided for the last fiscal year of the additional period of seven fiscal years except that, for fiscal years 1996 through 1999, payments to the Commonwealth of the Northern Mariana Islands pursuant to the multi-year funding agreements contemplated under the Covenant shall be \$11,000,000 annually and for fiscal year 2000, payments to the Commonwealth of the Northern Mariana Islands shall be \$5,580,000, but shall return to the level of \$11,000,000 annually for fiscal years 2001 and 2002. In fiscal year 2003, the payment to the Commonwealth of the Northern Mariana Islands shall be \$5,420,000. Such payments shall be subject to an equal local match and all other requirements set forth in the Agreement of the Special Representatives on Future Federal Financial Assistance of the Northern Mariana Islands, executed on December 17, 1992 between the special representative of the President of the United States and special representatives of the Governor of the Northern Mariana Islands with any additional amounts otherwise made available under this section in any fiscal year and not required to meet the schedule of payments in this subsection to be provided as set forth in subsection (c) of this section until Congress otherwise provides by law.

(c) Specific allocations for capital infrastructure projects

The additional amounts referred to in subsection (b) of this section shall be made available to the Secretary for obligation as follows:

(1) for fiscal years 1996 through 2001, \$4,580,000 annually for capital infrastructure projects as Impact Aid for Guam under section 1904(e)(6)¹ of this title;

(2) for fiscal year 1996, \$7,700,000 shall be provided for capital infrastructure projects in American Samoa; \$4,420,000 for resettlement of Rongelap Atoll; and²

(3) for fiscal years 1997 and thereafter, all such amounts shall be available solely for capital infrastructure projects in Guam, the Virgin Islands, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of Palau, the Federated States of Micronesia and the Republic of the Marshall Islands, except that \$200,000 in fiscal year 2009 and \$225,000 annually for fiscal years 2010 through 2018 are hereby rescinded; Provided, That the amount rescinded shall be increased by the same percentage as that of the annual salary and benefit adjustments for Members of Congress³ *Provided*, That, in fiscal year 1997, \$3,000,000 of such amounts shall be made available to the College of the Northern Marianas

¹ See References in Text note below.

² So in original. The word "and" probably should not appear.

³ So in original. Probably should be followed by a colon.