

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 classified to section 1694c of this title.

AMENDMENTS

1984—Subsec. (a). Pub. L. 98-454 inserted “including the Supreme Court of the United States,” after “courts of the United States” in first sentence.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98-454 effective on ninetieth day following Oct. 5, 1984, see section 1005 of Pub. L. 98-454, set out as a note under section 1424 of this title.

EFFECTIVE DATE

For effective date of this section, see section 1825 of this title and Effective Date of Constitution note thereunder.

§ 1825. Effective date

This subchapter shall come into force upon its approval or at the time proclaimed by the President for the Constitution of the Northern Mariana Islands to become effective, whichever is the later date.

(Pub. L. 95-157, § 5, Nov. 8, 1977, 91 Stat. 1267.)

CODIFICATION

Section was formerly classified to section 1694d of this title.

EFFECTIVE DATE OF CONSTITUTION

For provisions of proclamation of President relating to effective date for Constitution of Northern Mariana Islands, see Proc. No. 4534, Oct. 24, 1977, 42 F.R. 56593, set out as a note under section 1801 of this title.

§ 1826. Authorization of appropriations

There is authorized to be appropriated such sums as may be necessary to carry out the purposes of this subchapter.

(Pub. L. 95-157, § 6, Nov. 8, 1977, 91 Stat. 1267.)

CODIFICATION

Section was formerly classified to section 1694e of this title.

EFFECTIVE DATE

For effective date of this section, see section 1825 of this title and Effective Date of Constitution note thereunder.

SUBCHAPTER III—MISCELLANEOUS

§ 1841. Funds and services**(a) Acquisition and construction of powerplant and distribution facilities**

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 cost indexes applicable to the types of construction involved, to assist in the acquisition and con-

struction of a powerplant for the Northern Mariana Islands together with upgrading, rehabilitation, or replacement of distribution facilities.

(b) Services and facilities of Federal agencies; grants-in-aid; availability of appropriations in succeeding fiscal years

(1) The government of the Northern Marianas in carrying out the purposes of this Act, Public Law 95-134, or Public Law 94-241 [48 U.S.C. 1801 et seq.], 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) Supplemental nutrition assistance program benefits and distribution of donated foods

Notwithstanding the provisions of the Food and Nutrition Act of 2008 [7 U.S.C. 2011 et seq.], the Secretary of Agriculture is authorized, upon the request of the Governor of the Northern Mariana Islands, acting pursuant to legislation enacted in accordance with section 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 supplemental nutrition assistance 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 supplemental nutrition assistance program be implemented. This authority shall remain in effect through September 30, 1981, and shall not apply to section 1421q-1 or 1574-1¹ of this title.

¹ See References in Text note below.

(d) Administration and enforcement of revenue and taxation provisions of Covenant

(1) 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, or upon receipt of a resolution adopted by both houses of the legislature of the Northern Mariana Islands accompanied by a letter of request from either the Governor or the Lieutenant Governor of the Northern Mariana Islands, without reimbursement or other cost 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 the 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.

(2) For purposes of carrying out any administration and enforcement required by this subsection, the Secretary of the Treasury (hereinafter in this subsection referred to as the "Secretary"), or his delegate, at no cost to the Northern Marianas government, may (A) employ citizens of the Northern Mariana Islands (as defined by Article III of the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States (approved, Public Law 94-241; 90 Stat. 265), or (B) use the services of employees of the government of the Northern Mariana Islands, upon agreement to pay such government for the use of such services. In addition, the Secretary, or his delegate, shall make every effort to assure that citizens of the Northern Mariana Islands (as so defined) are trained to ultimately assume the administration and enforcement duties required of the Secretary or his delegate under this section. Notwithstanding any other provision of law, the Secretary or his delegate is authorized to the maximum extent feasible in administering and enforcing the requested sections of the Covenant, to employ and train Northern Mariana Islands' citizens without regard to United States Civil Service hiring or job classification laws or any employment ceilings imposed upon the Secretary. The preceding sentence shall not exempt such Northern Mariana Islands' citizens so hired from any other laws affecting Federal or Internal Revenue Service employees and shall remain in effect until the end of the third full fiscal year following March 12, 1980.

(3) As part of the administration of taxes required by this subsection, the Secretary or his

delegate shall establish, at no cost to the Northern Marianas government, a taxpayers information service to provide such information and assistance to citizens of the Northern Mariana Islands (as so defined) as may be necessary for the filing of returns and the payment of such taxes.

(Pub. L. 95-348, § 3, Aug. 18, 1978, 92 Stat. 489; Pub. L. 96-205, title II, § 204(a), Mar. 12, 1980, 94 Stat. 86; Pub. L. 110-234, title IV, § 4002(b)(1)(A), (B), (2)(HH), May 22, 2008, 122 Stat. 1095, 1096, 1098; Pub. L. 110-246, § 4(a), title IV, § 4002(b)(1)(A), (B), (2)(HH), June 18, 2008, 122 Stat. 1664, 1857, 1859.)

REFERENCES IN TEXT

This Act, referred to in subsec. (b)(1), is Pub. L. 95-348, Aug. 18, 1978, 92 Stat. 487. For complete classification of this Act to the Code, see Tables.

Public Law 95-134, referred to in subsec. (b)(1), is Pub. L. 95-134, Oct. 15, 1977, 91 Stat. 1159, as amended, popularly known as the Omnibus Territories Act of 1977. For complete classification of this Act to the Code, see Tables.

Public Law 94-241, referred to in subsecs. (b)(1), (2) and (d)(1), (2), is Pub. L. 94-241, Mar. 24, 1976, 90 Stat. 263, as amended, which is classified generally to subchapter I (§1801 et seq.) of this chapter. For complete classification of this Act to the Code, see Tables.

The Covenant To Establish a Commonwealth of the Northern Mariana Islands in Political Union With the United States of America, referred to in subsecs. (b)(2), (3) and (d), is contained in section 1 of Pub. L. 94-241, set out as a note under section 1801 of this title.

The Food and Nutrition Act of 2008, referred to in subsec. (c), is Pub. L. 88-525, Aug. 31, 1964, 78 Stat. 703, which is classified generally to chapter 51 (§2011 et seq.) of Title 7, Agriculture. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of Title 7 and Tables.

Section 1421q-1 or 1574-1 of this title, referred to in subsec. (c), was in the original "section 403 of Public Law 95-135", and was translated as reading "section 403 of Public Law 95-134", to reflect the probable intent of Congress, because Public Law 95-135 does not contain a section 403.

CODIFICATION

Pub. L. 110-234 and Pub. L. 110-246 made identical amendments to this section. The amendments by Pub. L. 110-234 were repealed by section 4(a) of Pub. L. 110-246.

Subsecs. (b)(2), (3), (c), and (d) of this section were formerly set out as notes under section 1681 of this title.

March 12, 1980, referred to in subsec. (d)(2), was in the original "the date of enactment", and was translated as meaning the date of enactment of Pub. L. 96-205, which enacted pars. (2) and (3) of subsec. (d) of this section, to reflect the probable intent of Congress.

AMENDMENTS

2008—Subsec. (c). Pub. L. 110-246, § 4002(b)(1)(A), (B), (2)(HH), substituted "Food and Nutrition Act of 2008" for "Food Stamp Act of 1977" and substituted "supplemental nutrition assistance program" for "food stamp program" in two places.

1980—Subsec. (d). Pub. L. 96-205 designated existing provisions as par. (1), inserted "or upon receipt of a resolution adopted by both houses of the legislature of the Northern Mariana Islands accompanied by a letter of request from either the Governor or the Lieutenant Governor of the Northern Mariana Islands," after "Constitution of the Northern Mariana Islands," the first place appearing, and added pars. (2) and (3).

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment of this section and repeal of Pub. L. 110-234 by Pub. L. 110-246 effective May 22, 2008, the

date of enactment of Pub. L. 110-234, except as otherwise provided, see section 4 of Pub. L. 110-246, set out as an Effective Date note under section 8701 of Title 7, Agriculture.

Amendment by section 4002(b)(1)(A), (B), (2)(HH) of Pub. L. 110-246 effective Oct. 1, 2008, see section 4407 of Pub. L. 110-246, set out as a note under section 1161 of Title 2, The Congress.

COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS
PILOT PROGRAM

Pub. L. 113-79, title IV, §4031, Feb. 7, 2014, 128 Stat. 816, provided that:

“(a) STUDY.—

“(1) IN GENERAL.—Prior to establishing the pilot program under subsection (b), the Secretary [of Agriculture] shall conduct a study to be completed not later than 2 years after the date of enactment of this Act [Feb. 7, 2014] to assess—

“(A) the capabilities of the Commonwealth of the Northern Mariana Islands to operate the supplemental nutrition assistance program established under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.) in a similar manner as the program is operated in the States (as defined in section 3 of that Act (7 U.S.C. 2012)); and

“(B) alternative models of the supplemental nutrition assistance program operation and benefit delivery that best meet the nutrition assistance needs of the Commonwealth of the Northern Mariana Islands.

“(2) SCOPE.—The study conducted under paragraph (1)(A) shall assess the capability of the Commonwealth of the Northern Mariana Islands to fulfill the responsibilities of a State agency (as defined in section 3 of the Food and Nutrition Act of 2008 (7 U.S.C. 2012)), including—

“(A) extending and limiting participation to eligible households, as required by sections 5 and 6 of that Act (7 U.S.C. 2014, 2015);

“(B) issuing benefits through EBT cards, as required by section 7 of that Act (7 U.S.C. 2016);

“(C) maintaining the integrity of the program, including operation of a quality control system, as required by section 16(c) of that Act (7 U.S.C. 2025(c));

“(D) implementing work requirements, including operating an employment and training program, as required by section 6(d) of that Act (7 U.S.C. 2015(d)); and

“(E) paying a share of administrative costs with non-Federal funds, as required by section 16(a) of that Act (7 U.S.C. 2016(a) [2025(a)]).

“(b) ESTABLISHMENT.—If the Secretary determines that a pilot program is feasible, the Secretary shall establish a pilot program for the Commonwealth of the Northern Mariana Islands to operate the supplemental nutrition assistance program in the same manner in which the program is operated in the States.

“(c) SCOPE.—The Secretary shall use the information obtained from the study conducted under subsection (a) to establish the scope of the pilot program established under subsection (b).

“(d) REPORT.—Not later than June 30, 2019, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the pilot program carried out under this section, including an analysis of the feasibility of operating the supplemental nutrition assistance program in the Commonwealth of the Northern Mariana Islands in the same manner in which the program is operated in the States.

“(e) FUNDING.—

“(1) STUDY.—Of the funds made available under section 18(a)(1) of the Food and Nutrition Act of 2008 (7 U.S.C. 2027(a)(1)), the Secretary may use to conduct the study described in subsection (a) not more than \$1,000,000 for each of fiscal years 2014 and 2015.

“(2) PILOT PROGRAM.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), of the funds made available under section 18(a)(1) of the Food and Nutrition Act of 2008 (7 U.S.C. 2027(a)(1)), the Secretary may use to establish and carry out the pilot program under subsection (b), including the Federal costs for providing technical assistance to the Commonwealth of the Northern Mariana Islands, authorizing and monitoring retail food stores, and assessing pilot operations, not more than—

“(i) \$13,500,000 for fiscal year 2016; and

“(ii) \$8,500,000 for each of fiscal years 2017 and 2018.

“(B) EXCEPTION.—If the Secretary determines that a pilot program described in subsection (b) is not feasible, the Secretary shall provide to the Commonwealth of the Northern Mariana Islands any unspent funds described in subparagraph (A), which shall—

“(i) be made available for obligation under the Commonwealth of the Northern Mariana Islands nutrition assistance program block grant in addition to any other funds made available for that grant; and

“(ii) remain available until expended.”

§ 1842. Covering into Commonwealth treasury of tax proceeds collected pursuant to Covenant

The Secretary shall take such steps as are necessary to ensure that the proceeds of taxes collected under the provisions of sections 601, 602, 603, and 604 of the Covenant (Public Law 94-241) are covered directly upon collection into the treasury of the Commonwealth of the Northern Mariana Islands.

(Pub. L. 96-205, title II, §204(b), Mar. 12, 1980, 94 Stat. 87.)

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.

Public Law 94-241, referred to in text, is Pub. L. 94-241, Mar. 24, 1976, 90 Stat. 263, as amended, which is classified generally to subchapter I (§1801 et seq.) of this chapter. For complete classification of this Act to the Code, see Tables.

CODIFICATION

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

AUTHORITY OF GUAM, AMERICAN SAMOA, AND THE NORTHERN MARIANA ISLANDS TO ENACT REVENUE LAWS

See section 1271 of Pub. L. 99-514, set out as a note under section 931 of Title 26, Internal Revenue Code.

§ 1843. Exemption from taxation for income derived from sources within Commonwealth

(a) Taxable years beginning after December 31, 1978, but not after January 1, 1985

Except as provided in subsection (c), any person, including an individual, trust, estate, partnership, association, company, or corporation, which is a resident of or which is organized under the laws of the Commonwealth of the Northern Mariana Islands and which is subject to the provisions of section 601 of the Covenant to Establish the Commonwealth of the Northern Mariana Islands in Political Union with the United States (Public Law 94-241), shall be exempted from the requirements of such section