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H. R. 8393

[Report No. 117-]

To enable the people of Puerto Rico to choose a permanent, nonterritorial, fully self-governing political status for Puerto Rico and to provide for a transition to and the implementation of that permanent, nonterritorial, fully self-governing political status, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 15, 2022

Mr. GRIJALVA (for himself, Ms. VELÁZQUEZ, Miss GONZÁLEZ-COLÓN, Mr. SOTO, and Mr. HOYER) introduced the following bill; which was referred to the Committee on Natural Resources

JULY --, 2022

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italie*]

[For text of introduced bill, see copy of bill as introduced on July 15, 2022]

A BILL

To enable the people of Puerto Rico to choose a permanent, nonterritorial, fully self-governing political status for Puerto Rico and to provide for a transition to and the implementation of that permanent, nonterritorial, fully self-governing political status, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 *This Act may be cited as the “Puerto Rico Status Act”.*

5 **SEC. 2. TABLE OF CONTENTS.**

6 *The table of contents for this Act is as follows:*

Sec. 1. Short title.

Sec. 2. Table of contents.

Sec. 3. Findings.

Sec. 4. Definitions.

Sec. 5. Plebiscite.

Sec. 6. Nonpartisan voter education campaign.

Sec. 7. Oversight.

Sec. 8. Funds for voter education; plebiscites.

Sec. 9. Bilingual voter educational materials and ballots.

Sec. 10. Puerto Rico Oversight, Management, and Economic Stability Act.

Sec. 11. Severability.

TITLE I—TRANSITION AND IMPLEMENTATION — INDEPENDENCE

Sec. 101. Constitutional convention.

Sec. 102. Character of the constitution.

Sec. 103. Submission; ratification.

Sec. 104. Election of officers.

Sec. 105. Conforming amendments to existing law.

Sec. 106. Joint Transition Commission.

Sec. 107. Proclamations by President of the United States; Head of State of Puerto Rico.

Sec. 108. Legal and constitutional provisions.

Sec. 109. Judicial pronouncements.

Sec. 110. Citizenship and immigration laws after Puerto Rican independence.

Sec. 111. Individual rights to economic benefits and grants.

**TITLE II—TRANSITION AND IMPLEMENTATION — SOVEREIGNTY IN
FREE ASSOCIATION WITH THE UNITED STATES**

Sec. 201. Constitutional convention.

Sec. 202. Character of the constitution.

Sec. 203. Submission; ratification.

Sec. 204. Election of officers.

Sec. 205. Proclamations by President of the United States; Head of State of Puerto Rico.

Sec. 206. Legal and constitutional provisions.

Sec. 207. Judicial pronouncements.

Sec. 208. Citizenship and immigration laws after sovereignty through free association.

Sec. 209. Conforming amendments to existing law.

Sec. 210. Bilateral Negotiating Commission.

Sec. 211. Articles of Free Association approval and effective date.

Sec. 212. Termination.

Sec. 213. Individual rights to economic benefits and grants.

TITLE III—TRANSITION AND IMPLEMENTATION — STATEHOOD

Sec. 301. Presidential proclamation; Admission into the Union.

Sec. 302. Conforming amendments to existing law.

Sec. 303. Territory and boundaries.

Sec. 304. Constitution.

Sec. 305. Elections of Senators and Representatives, certification, and legal disputes.

Sec. 306. State title to land and property.

Sec. 307. Continuity of laws, government, and obligations.

Sec. 308. Judicial pronouncements.

1 SEC. 3. FINDINGS.

2 *In recognition of the inherent limitations of Puerto*
3 *Rico’s territorial status, and the responsibility of the Fed-*
4 *eral Government to enable the people of the territory to free-*
5 *ly express their wishes regarding political status and*
6 *achieve full self-government, Congress seeks to enable the eli-*
7 *gible voters of Puerto Rico to choose a permanent, non-terri-*
8 *torial, fully self-governing political status for Puerto Rico*
9 *and to provide for a transition to and the implementation*
10 *of said permanent, nonterritorial, fully self-governing sta-*
11 *tus.*

12 **SEC. 4. DEFINITIONS.**

13 *In this Act:*

14 (1) *BILATERAL NEGOTIATING COMMISSION.—The*
15 *term “Bilateral Negotiating Commission” means the*
16 *Bilateral Negotiating Commission established under*
17 *section 209(a).*

18 (2) *ELECTIONS COMMISSION.—The term “Elec-*
19 *tions Commission” means the Puerto Rico State Elec-*

1 *tions Commission (Comisión Estatal de Elecciones de*
2 *Puerto Rico, in Spanish).*

3 (3) *ELIGIBLE VOTERS.*—*The term “eligible vot-*
4 *ers” means bona fide residents of Puerto Rico who are*
5 *otherwise qualified to vote in general elections in*
6 *Puerto Rico.*

7 (4) *INITIAL PLEBISCITE.*—*The term “initial*
8 *plebiscite” means the plebiscite required by section*
9 *5(a)(1).*

10 (5) *MAJORITY.*—*The term “majority” means*
11 *more than 50 percent.*

12 (6) *RUNOFF PLEBISCITE.*—*The term “runoff*
13 *plebiscite” means the plebiscite required by section*
14 *5(a)(4).*

15 **SEC. 5. PLEBISCITE.**

16 (a) *IN GENERAL.*—

17 (1) *INITIAL PLEBISCITE.*—*A plebiscite to resolve*
18 *Puerto Rico’s political status shall be held on Novem-*
19 *ber 5, 2023.*

20 (2) *OPTIONS.*—*The plebiscite held under para-*
21 *graph (1) shall offer eligible voters a choice of one of*
22 *the three options which shall be presented on the bal-*
23 *lot as follows:*

24 (A) *Independence.*

1 (B) *Sovereignty in Free Association with*
2 *the United States.*

3 (C) *Statehood.*

4 (3) *MAJORITY VOTE REQUIRED.—Approval of a*
5 *status option must be by a majority of the valid votes*
6 *cast.*

7 (4) *RUNOFF PLEBISCITE.—If there is not a ma-*
8 *jority in favor of one of the three options defined in*
9 *this Act, then a runoff plebiscite shall be held on*
10 *March 3, 2024, which shall offer eligible voters a*
11 *choice of the two options that received the most votes*
12 *in the plebiscite held under paragraph (1).*

13 (b) *BALLOT LANGUAGE.—A ballot for a plebiscite re-*
14 *quired by subsection (a) shall include the following lan-*
15 *guage, except that the ballot for the runoff plebiscite shall*
16 *omit the option that received the fewest votes in the initial*
17 *plebiscite:*

18 (1) *INSTRUCTIONS.—Mark the status option you*
19 *choose as each is defined below. A ballot with more*
20 *than 1 option marked will not be counted. A ballot*
21 *with no option marked will not be counted.*

22 (2) *INDEPENDENCE.—If you agree, mark here*
23 _____.

24 (A) *Puerto Rico is a sovereign nation that*
25 *has full authority and responsibility over its ter-*

1 *ritory and population under a constitution of its*
2 *own adoption which shall be the supreme law of*
3 *the nation.*

4 *(B) Puerto Rico is vested with full powers*
5 *and responsibilities consistent with the rights*
6 *and responsibilities that devolve upon a sov-*
7 *ereign nation under international law, including*
8 *its own fiscal and monetary policy, immigra-*
9 *tion, trade, and the conduct in its own name*
10 *and right of relations with other nations and*
11 *international organizations.*

12 *(C) Puerto Rico has full authority and re-*
13 *sponsibility over its citizenship and immigration*
14 *laws, and birth in Puerto Rico or relationship to*
15 *persons with statutory United States citizenship*
16 *by birth in the former territory shall cease to be*
17 *a basis for United States nationality or citizen-*
18 *ship, except that persons who have such United*
19 *States citizenship have a right to retain United*
20 *States nationality and citizenship for life, by en-*
21 *titlement or election as provided by Federal law.*

22 *(D) Puerto Rico will no longer be a posses-*
23 *sion of the United States for purposes of the In-*
24 *ternal Revenue Code. In general, United States*
25 *citizens and United States businesses in the na-*

1 *tion of Puerto Rico will be subject to United*
2 *States Federal tax laws (as is the case with any*
3 *other United States citizen or United States*
4 *business abroad) and to Puerto Rican tax laws.*
5 *Puerto Rico's status as an independent, sov-*
6 *ereign nation will be the controlling factor in the*
7 *taxation of Puerto Rican taxpayers.*

8 *(E) The Constitution and laws of the*
9 *United States no longer apply in Puerto Rico*
10 *and United States sovereignty in Puerto Rico is*
11 *ended.*

12 *(3) SOVEREIGNTY IN FREE ASSOCIATION WITH*
13 *THE UNITED STATES.—If you agree, mark here*
14 _____.

15 *(A) Puerto Rico is a sovereign nation that*
16 *has full authority and responsibility over its ter-*
17 *ritory and population under a constitution of its*
18 *own adoption which shall be the supreme law of*
19 *the nation.*

20 *(B) Puerto Rico is vested with full powers*
21 *and responsibilities consistent with the rights*
22 *and responsibilities that devolve upon a sov-*
23 *ereign nation under international law, including*
24 *its own fiscal and monetary policy, immigra-*
25 *tion, trade, and the conduct in its own name*

1 *and right of relations with other nations and*
2 *international organizations, except as otherwise*
3 *provided for in the Articles of Free Association*
4 *to be negotiated by Puerto Rico and the United*
5 *States.*

6 (C) *Puerto Rico has full authority and re-*
7 *sponsibility over its citizenship and immigration*
8 *laws, and persons who have United States citi-*
9 *zenship have a right to retain United States na-*
10 *tionality and citizenship for life by entitlement*
11 *or election as provided by Federal law.*

12 (D) *Birth in Puerto Rico shall cease to be*
13 *a basis for United States nationality or citizen-*
14 *ship. Individuals born in Puerto Rico to parents*
15 *both of whom are United States citizens shall be*
16 *United States citizens at birth, consistent with*
17 *the immigration laws of the United States, for*
18 *the duration of the first agreement of the Articles*
19 *of Free Association.*

20 (E) *Puerto Rico enters into Articles of Free*
21 *Association with the United States, with such*
22 *devolution and reservation of governmental func-*
23 *tions and other bilateral arrangements as may*
24 *be agreed to by both Parties under the Articles,*

1 *which shall be terminable at will by either the*
2 *United States or Puerto Rico at any time.*

3 *(F) Puerto Rico will no longer be a posses-*
4 *sion of the United States for purposes of the In-*
5 *ternal Revenue Code. In general, United States*
6 *citizens and United States businesses in the na-*
7 *tion of Puerto Rico will be subject to United*
8 *States Federal tax laws (as is the case with any*
9 *other United States citizen or United States*
10 *business abroad) and to Puerto Rican tax laws.*
11 *Puerto Rico's status as an independent, sov-*
12 *ereign nation will be the controlling factor in the*
13 *taxation of Puerto Rican taxpayers. In addition,*
14 *Puerto Rico will enter into an agreement with*
15 *the United States to provide for "Sovereignty in*
16 *Free Association" between the two nations. This*
17 *agreement may modify the otherwise applicable*
18 *tax rules, subject to negotiation and ratification*
19 *by the two nations.*

20 *(G) The Constitution of the United States*
21 *no longer applies in Puerto Rico, the laws of the*
22 *United States no longer apply in Puerto Rico*
23 *except as otherwise provided in the Articles of*
24 *Free Association, and United States sovereignty*
25 *in Puerto Rico is ended.*

1 (H) *All matters pertaining to the govern-*
2 *ment-to-government relationship between Puerto*
3 *Rico and the United States, which may include*
4 *foreign affairs, trade, finance, taxation, cur-*
5 *rency, economic assistance, security and defense,*
6 *dispute resolution and termination, shall be pro-*
7 *vided for in the Articles of Free Association.*

8 (4) *STATEHOOD.—If you agree, mark here*
9 _____.

10 (A) *The State of Puerto Rico is admitted*
11 *into the Union on an equal footing with the*
12 *other States in all respects whatever and is a*
13 *part of the permanent union of the United States*
14 *of America, subject to the United States Con-*
15 *stitution, with powers not prohibited by the Con-*
16 *stitution to the States and reserved to the State*
17 *of Puerto Rico or to its residents.*

18 (B) *The residents of Puerto Rico are fully*
19 *self-governing with their rights secured under the*
20 *United States Constitution, which shall be fully*
21 *applicable in Puerto Rico and which, with the*
22 *laws and treaties of the United States, is the su-*
23 *preme law and has the same force and effect in*
24 *Puerto Rico as in the other States of the Union.*

1 (C) *United States citizenship of those born*
2 *in Puerto Rico is recognized, protected, and se-*
3 *ured under the United States Constitution in*
4 *the same way such citizenship is for all United*
5 *States citizens born in the other States.*

6 (D) *Puerto Rico will no longer be a posses-*
7 *sion of the United States for purposes of the In-*
8 *ternal Revenue Code. Instead, the State of Puerto*
9 *Rico will become a State on equal footing with*
10 *each of the current 50 States in the United*
11 *States of America. Individuals and businesses*
12 *resident in the State of Puerto Rico will be sub-*
13 *ject to United States Federal tax laws as well as*
14 *applicable State tax laws.*

15 (c) *IMPLEMENTATION OF PLEBISCITE.—The plebiscites*
16 *authorized by this section shall be implemented by the Elec-*
17 *tions Commission, consistent with the laws of Puerto Rico*
18 *and Federal law.*

19 (d) *RESULTS.—The Elections Commission shall in-*
20 *form the President of the United States, the President pro*
21 *tempore of the United States Senate, the Speaker of the*
22 *United States House of Representatives, the Senate Com-*
23 *mittee on Energy and Natural Resources, and the House*
24 *Committee on Natural Resources of—*

1 (1) *the results of the initial plebiscite not later*
2 *than 30 calendar days after the initial plebiscite is*
3 *held; and*

4 (2) *the results of the runoff plebiscite, if held, not*
5 *later than 30 calendar days after the runoff plebiscite*
6 *is held.*

7 (e) *JURISDICTION OF DISTRICT COURT.—The United*
8 *States District Court for the District of Puerto Rico shall*
9 *have original and exclusive jurisdiction of any civil action*
10 *alleging a dispute or controversy pertaining to electoral*
11 *processes conducted under this section.*

12 **SEC. 6. NONPARTISAN VOTER EDUCATION CAMPAIGN.**

13 (a) *IN GENERAL.—The Elections Commission shall*
14 *carry out a nonpartisan voter education campaign through*
15 *traditional paid media and make available at all voting*
16 *locations voter education materials related to the plebiscites*
17 *authorized under this Act consistent with Department of*
18 *Justice approval under section 7.*

19 (b) *VOTER EDUCATION MATERIALS.—At a minimum,*
20 *the voter education materials shall address for each op-*
21 *tion—*

22 (1) *international representation;*

23 (2) *citizenship and immigration; and*

24 (3) *access and treatment under Federal law and*
25 *programs.*

1 **SEC. 7. OVERSIGHT.**

2 (a) *SUBMISSION OF MATERIALS.*—Not later than 60
3 days after the date of the enactment of this Act, the Elec-
4 tions Commission shall submit the ballot design and voter
5 education materials for the plebiscites authorized under this
6 Act to the United States Attorney General for review and
7 the Elections Commission shall make not more than one
8 submission of the ballot design and voter education mate-
9 rials to the Attorney General for review.

10 (b) *EFFECT OF FAILURE TO COMPLY.*—If the Attorney
11 General fails to comply with subsection (c) within the 45-
12 day period, the ballot design and voter education materials
13 shall be considered approved.

14 (c) *REVIEW.*—Not later than 45 days after receiving
15 the ballot design and voter education materials under sub-
16 section (a), the Attorney General shall review the ballot de-
17 sign and voter education materials to ensure consistency
18 with this Act and to ensure that the three options defined
19 in this Act are represented fairly, especially in the event
20 that any of the three options are not represented on the
21 Elections Commission by a member of a political party that
22 supports such option, and—

23 (1) return the materials to the Elections Com-
24 mission with comments and instructions for changes;
25 or

1 (2) *before the expiration of the 45-day period, in-*
2 *form the Elections Commission that no instructions*
3 *or requests for changes shall be made under para-*
4 *graph (1), but that the Attorney General reserves the*
5 *right to submit instructions for changes in accordance*
6 *with this section if additional information comes to*
7 *the attention of the Attorney General during the re-*
8 *mainder of the 45-day period.*

9 (d) *REVISION.—Not later than 45 days after receiving*
10 *comments and instructions for changes from the Attorney*
11 *General under subsection (c), the Elections Commission*
12 *shall revise the ballot design and voter education materials*
13 *as requested by the Attorney General.*

14 **SEC. 8. FUNDS FOR VOTER EDUCATION; PLEBISCITES.**

15 (a) *AUTHORIZATION OF APPROPRIATIONS.—There is*
16 *authorized to be appropriated such sums as are necessary*
17 *for the Elections Commission to carry out a nonpartisan*
18 *voter education campaign and an initial plebiscite and, if*
19 *necessary, a runoff plebiscite under this Act.*

20 (b) *EXISTING FUNDS.—Notwithstanding any provi-*
21 *sion of Public Law 113–76, funds made available under*
22 *such Act to carry out a plebiscite on Puerto Rico’s status*
23 *shall be made available to carry out this Act.*

1 **SEC. 9. BILINGUAL VOTER EDUCATIONAL MATERIALS AND**
2 **BALLOTS.**

3 *All voter educational materials and ballots used to*
4 *carry out this Act shall be made available in English and*
5 *Spanish.*

6 **SEC. 10. PUERTO RICO OVERSIGHT, MANAGEMENT, AND**
7 **ECONOMIC STABILITY ACT.**

8 *Upon the admission of the State of Puerto Rico into*
9 *the Union or on the date that the Government of the nation*
10 *of Puerto Rico initially takes office:*

11 (1) *IN GENERAL.—The Puerto Rico Oversight,*
12 *Management, and Economic Stability Act (48 U.S.C.*
13 *2101 et seq.) shall no longer apply to the State of*
14 *Puerto Rico or the nation of Puerto Rico, as the case*
15 *may be.*

16 (2) *OVERSIGHT BOARD.—The Financial Over-*
17 *sight and Management Board for Puerto Rico estab-*
18 *lished under section 101(b)(1) of the Puerto Rico*
19 *Oversight, Management, and Economic Stability Act*
20 *(48 U.S.C. 2121(b)(1)) is terminated and all duties*
21 *and responsibilities assigned to the Oversight Board*
22 *shall return to the State of Puerto Rico or the nation*
23 *of Puerto Rico, as the case may be.*

24 (3) *TRANSFER.—All funds, property, and assets*
25 *of the board described in subparagraph (B) shall be*

1 *transferred to the State of Puerto Rico or the nation*
2 *of Puerto Rico, as the case may be.*

3 **SEC. 11. SEVERABILITY.**

4 *If any provision of this Act, or any section, subsection,*
5 *sentence, clause, phrase, or individual word, or the applica-*
6 *tion thereof to any person or circumstance is held invalid*
7 *by a court of jurisdiction, the validity of the remainder of*
8 *the Act and of the application of any such provision, sec-*
9 *tion, subsection, sentence, clause, phrase, or individual*
10 *word to other persons and circumstances shall not be af-*
11 *ected thereby.*

12 **TITLE I—TRANSITION AND IM-**
13 **PLEMENTATION — INDEPEND-**
14 **ENCE**

15 **SEC. 101. CONSTITUTIONAL CONVENTION.**

16 *(a) ELECTION OF DELEGATES.— Not later than 6*
17 *months after the effective date of certification of a plebiscite*
18 *result under this Act in favor of independence, the legisla-*
19 *ture of Puerto Rico shall provide for the election of delegates*
20 *to a constitutional Convention to formulate and draft a*
21 *Constitution for the nation of Puerto Rico.*

22 *(b) ELIGIBLE VOTERS.—All eligible voters may vote*
23 *in the election of delegates to the constitutional Convention.*

24 *(c) GENERAL APPLICABILITY OF ELECTORAL LAW.—*
25 *The laws of the territory of Puerto Rico relating to the elec-*

1 *toral process shall apply to a special election held under*
2 *this Act.*

3 (d) *INITIAL MEETING.*—*Not later than 3 months after*
4 *the election of delegates to the constitutional Convention,*
5 *the elected delegates shall meet at such time and place as*
6 *the legislature of Puerto Rico shall determine. The initial*
7 *meeting shall constitute the establishment of the constitu-*
8 *tional Convention.*

9 **SEC. 102. CHARACTER OF THE CONSTITUTION.**

10 *The constitutional Convention under section 101 shall*
11 *formulate and draft a Constitution for Puerto Rico that*
12 *guarantees the protection of fundamental human rights, in-*
13 *cluding—*

14 (1) *due process and equal protection under the*
15 *law;*

16 (2) *freedom of speech, press, assembly, associa-*
17 *tion, and religion;*

18 (3) *the rights of the accused;*

19 (4) *any other economic, social, and cultural*
20 *rights as the constitutional Convention may deem ap-*
21 *propriate and necessary; and*

22 (5) *provisions to ensure that no individual born*
23 *in the nation of Puerto Rico shall be stateless at*
24 *birth.*

1 **SEC. 103. SUBMISSION; RATIFICATION.**

2 (a) *SUBMISSION.*—Not later than one year after the
3 establishment of the constitutional Convention, the Con-
4 stitution formulated and drafted by the constitutional Con-
5 vention shall be submitted to the eligible voters of Puerto
6 Rico for ratification or rejection in a special election.

7 (b) *MANNER OF ELECTION.*—The special election held
8 under this subsection shall be held in the manner prescribed
9 by the legislature of Puerto Rico.

10 **SEC. 104. ELECTION OF OFFICERS.**

11 (a) *IN GENERAL.*—Not later than one month after the
12 ratification of the Constitution under section 103, the Gov-
13 ernor of the territory of Puerto Rico shall issue a proclama-
14 tion calling for the election of such officers of the nation
15 of Puerto Rico as may be required by the ratified Constitu-
16 tion.

17 (b) *REJECTION.*—If the special election results in rejec-
18 tion of the Constitution, the process provided for in sections
19 101 through 103 shall be repeated, except that section
20 101(a) shall be applied by substituting—

21 (1) “the special election” for “a plebiscite”; and

22 (2) “rejecting of the Constitution” for “in favor
23 of independence”.

24 (c) *DEADLINE; PROCEDURES.*—The election under
25 subsection (a) shall be held—

1 (1) *not later than 6 months after the date of*
2 *ratification of the Constitution; and*

3 (2) *in accordance with the procedures and re-*
4 *quirements established in the Constitution of the na-*
5 *tion of Puerto Rico.*

6 (d) **CERTIFICATION OF RESULTS.**—*Not later than 10*
7 *days after the election of officers under subsection (a), the*
8 *Elections Commission shall certify the results of the elec-*
9 *tion. The Governor of the territory of Puerto Rico shall in-*
10 *form the results of the election to the President of the United*
11 *States, the President pro tempore of the United States Sen-*
12 *ate, the Speaker of the United States House of Representa-*
13 *tives, the Committee on Energy and Natural Resources of*
14 *the Senate, and the Committee on Natural Resources of the*
15 *House of Representatives.*

16 **SEC. 105. CONFORMING AMENDMENTS TO EXISTING LAW.**

17 (a) **REVIEW.**—*Not later than 30 days after the initial*
18 *meeting of a constitutional Convention under section*
19 *101(d), the President shall initiate a review of Federal law*
20 *with respect to Puerto Rico, including those regarding—*

21 (1) *taxation of persons and businesses;*

22 (2) *health care;*

23 (3) *housing;*

24 (4) *transportation;*

25 (5) *education; and*

1 (6) *entitlement programs.*

2 (b) *RECOMMENDATIONS.—Not later than one year*
3 *after the date on which the President initiates a review*
4 *under subsection (a), the President shall submit rec-*
5 *ommendations to Congress for changes to Federal law iden-*
6 *tified during such review, as the President deems appro-*
7 *priate.*

8 **SEC. 106. JOINT TRANSITION COMMISSION.**

9 (a) *APPOINTMENT.—Not later than 3 months after the*
10 *establishment of a constitutional Convention under section*
11 *101(d), a Joint Transition Commission shall be appointed*
12 *in equal numbers by the President of the United States and*
13 *the presiding officer of the Constitutional Convention of*
14 *Puerto Rico.*

15 (b) *DUTIES.—The Joint Transition Commission shall*
16 *be responsible for expediting the orderly transfer of all func-*
17 *tions currently exercised by the Federal Government in*
18 *Puerto Rico, or in relation to Puerto Rico to the nation*
19 *of Puerto Rico, and shall recommend to Congress any ap-*
20 *propriate legislation to carry out such transfer.*

21 (c) *COLLABORATION.—The Government of the territory*
22 *of Puerto Rico and the agencies of the Government of the*
23 *United States shall collaborate with the Joint Transition*
24 *Commission and subsequently the officers of the nation of*

1 *Puerto Rico, to provide for the orderly transfer of the func-*
2 *tions under subsection (b).*

3 **SEC. 107. PROCLAMATIONS BY PRESIDENT OF THE UNITED**
4 **STATES; HEAD OF STATE OF PUERTO RICO.**

5 (a) *PROCLAMATION.*—*Not later than one month after*
6 *the official certification of the elected officers of the nation*
7 *of Puerto Rico under section 104(d), the President of the*
8 *United States shall by proclamation—*

9 (1) *withdraw and surrender all rights of posses-*
10 *sion, supervision, jurisdiction, control, or sovereignty*
11 *then existing and exercised by the United States over*
12 *the territory and residents of Puerto Rico;*

13 (2) *recognize, on behalf of the United States of*
14 *America, the independence of the nation of Puerto*
15 *Rico and the authority of the government instituted*
16 *by eligible voters of Puerto Rico under the Constitu-*
17 *tion of their own adoption; and*

18 (3) *state that the effective date of withdrawal of*
19 *the sovereignty of the United States and recognition*
20 *of independence shall be the same as the date of the*
21 *proclamation.*

22 (b) *COPY OF PROCLAMATION FORWARDED.*—*The*
23 *President of the United States shall forward a copy of the*
24 *proclamation issued under subsection (a) not later than one*
25 *week after signature to the presiding officer of the Constitu-*

1 *tional Convention of Puerto Rico, the officer elected as head*
2 *of state of the nation, the President pro tempore of the*
3 *United States Senate, the Speaker of the United States*
4 *House of Representatives, the Senate Committee on Energy*
5 *and Natural Resources, and the House Committee on Nat-*
6 *ural Resources.*

7 (c) *DATE GOVERNMENT TO TAKE OFFICE.*—Not later
8 *than one week after the date of receipt of the Presidential*
9 *proclamation and with the advice of the officer elected as*
10 *head of state of the nation, the presiding officer of the con-*
11 *stitutional Convention shall determine the date on which*
12 *the Government of the nation shall take office, and shall*
13 *so notify the Governor of the territory of Puerto Rico, the*
14 *President of the United States, the President pro tempore*
15 *of the United States Senate, and the Speaker of the United*
16 *States House of Representatives.*

17 **SEC. 108. LEGAL AND CONSTITUTIONAL PROVISIONS.**

18 *Upon the proclamation of independence as provided*
19 *in this Title, and except as otherwise provided in this Title*
20 *or in any separate agreements thereafter concluded between*
21 *the United States and the nation of Puerto Rico—*

22 (1) *all property, rights and interests which the*
23 *United States may have acquired over Puerto Rico by*
24 *virtue of the Treaty of Paris of 1898, and thereafter*
25 *by cession, purchase, or eminent domain, with the ex-*

1 *ception of such land and other property, rights, or in-*
2 *terests as may have been sold or otherwise legally dis-*
3 *posed of prior to the proclamation of Independence,*
4 *shall vest ipso facto in the nation of Puerto Rico; and*

5 *(2) except as provided in section 110, all laws of*
6 *the United States applicable to the territory of Puerto*
7 *Rico immediately prior to the proclamation of Inde-*
8 *pendence shall no longer apply in the nation of Puer-*
9 *to Rico.*

10 **SEC. 109. JUDICIAL PRONOUNCEMENTS.**

11 *(a) JUDGMENTS BEFORE PROCLAMATION.—The na-*
12 *tion of Puerto Rico shall recognize and give effect to all*
13 *orders and judgments rendered by United States or terri-*
14 *torial courts before the date of the proclamation of inde-*
15 *pendence pursuant to the laws of the United States then*
16 *applicable to the territory of Puerto Rico.*

17 *(b) CONTINUITY OF PENDING PROCEEDINGS.—All ju-*
18 *dicial proceedings pending in the courts of the territory of*
19 *Puerto Rico on the day of the proclamation of independence*
20 *shall be continued in the corresponding courts under the*
21 *Constitution of the nation of Puerto Rico.*

22 *(c) TRANSFER OF JUDICIAL POWER.—Upon the proc-*
23 *lamation of independence, the judicial power of the United*
24 *States shall no longer extend to Puerto Rico. All proceedings*
25 *pending in the United States District Court for the District*

1 *of Puerto Rico shall be transferred to the corresponding*
2 *Puerto Rican courts of competence or other competent judi-*
3 *cial authority under the Constitution of the nation of Puer-*
4 *to Rico for disposition in conformity with laws applicable*
5 *at the time when the controversy in process arose. All pro-*
6 *ceedings pending in the United States Court of Appeals for*
7 *the First Circuit, or in the Supreme Court of the United*
8 *States, that initiated in, or that could have been initiated*
9 *in, the courts of the territory or in the United States Dis-*
10 *trict Court for the District of Puerto Rico shall continue*
11 *until their final disposition and shall be submitted to the*
12 *competent authority of the nation of Puerto Rico for proper*
13 *execution: Provided, That neither the United States nor any*
14 *of its officers is a party, in which case any final judgment*
15 *shall be properly executed by the competent authority of the*
16 *United States.*

17 **SEC. 110. CITIZENSHIP AND IMMIGRATION LAWS AFTER**
18 **PUERTO RICAN INDEPENDENCE.**

19 (a) *IN GENERAL.*—

20 (1) *PUERTO RICAN NATIONALITY.*—*After the ef-*
21 *fective date of independence, the citizenship status of*
22 *each individual born in Puerto Rico shall be deter-*
23 *mined in accordance with the Constitution and laws*
24 *of the nation of Puerto Rico.*

1 (2) *UNITED STATES IMMIGRATION LAWS.—*~~*Ex-*~~
2 *cept as described in this section, after the effective*
3 *date of independence citizens of Puerto Rico seeking*
4 *to enter into the United States or obtain citizenship*
5 *in the United States shall be subject to the immigra-*
6 *tion laws of the United States (as such term is de-*
7 *fined in section 101 of the Immigration and Nation-*
8 *ality Act (8 U.S.C. 1101)).*

9 (b) *EFFECT OF PUERTO RICAN CITIZENSHIP.—*~~*Noth-*~~
10 *ing in this Act precludes or limits the applicability of sec-*
11 *tion 349 of the Immigration and Nationality Act (8 U.S.C.*
12 *1481), except that the provision of citizenship by the laws*
13 *of Puerto Rico shall not constitute or otherwise serve as the*
14 *basis of loss, or relinquishment of United States citizenship*
15 *under such section.*

16 (c) *CITIZENSHIP AT BIRTH AFTER INDEPENDENCE.—*
17 *An individual born in Puerto Rico after the effective date*
18 *of independence to at least one parent who became a United*
19 *States citizen under section 302 of the Immigration and*
20 *Nationality Act (8 U.S.C. 1402) is not a United States cit-*
21 *izen at birth under subsections (c), (d), or (g) of section*
22 *301 of the Immigration and Nationality Act (8 U.S.C.*
23 *1401(c), (d) or (g)).*

24 (d) *TRAVEL AND WORK AUTHORIZATION.—*

1 (1) *Any person in the following categories may*
2 *enter, lawfully engage in occupations, and establish*
3 *residence as a nonimmigrant in the United States*
4 *and its territories and possessions without regard to*
5 *paragraphs (5)(A) and (7) of section 212(a) of the*
6 *Immigration and Nationality Act (8 U.S.C. 1182(a);*
7 *(5)(A) and (7))—*

8 (A) *a person who acquires the citizenship of*
9 *Puerto Rico, at birth, on or after the effective*
10 *date of independence; or*

11 (B) *a naturalized citizen of Puerto Rico,*
12 *who has been an actual resident there for not less*
13 *than five years after attaining such naturaliza-*
14 *tion and who holds a proof of such residence.*

15 *Such persons shall be considered to have the permis-*
16 *sion of the Secretary of Homeland Security to accept*
17 *employment in the United States.*

18 (2) *The right of such persons to establish habit-*
19 *ual residence in a territory or possession of the*
20 *United States may, however, be subjected to non-*
21 *discriminatory limitations provided for—*

22 (A) *in statutes or regulations of the United*
23 *States; or*

1 *States, retired Government employees, or beneficiaries of old*
2 *age, disability, or survivors' insurance benefits under the*
3 *Social Security Act, shall not be interrupted after the proc-*
4 *lamation of independence but will continue until such time*
5 *as said rights and benefits are completely extinguished ac-*
6 *cording to the applicable laws of the United States. All serv-*
7 *ices which must be rendered as part of these rights and bene-*
8 *fits shall be made available through the Government of the*
9 *nation of Puerto Rico in accordance with agreements*
10 *reached by the two nations.*

11 *(b) SOCIAL SECURITY SYSTEM.—Notwithstanding the*
12 *provisions in subsection (a), all contributions made by em-*
13 *ployees and employers in Puerto Rico to the Social Security*
14 *system with respect to persons who, upon the proclamation*
15 *of independence, are residents of the nation of Puerto Rico*
16 *and are not yet eligible for old age, disability, or survivors'*
17 *insurance benefits under the system, shall be transferred to*
18 *the Government of the nation of Puerto Rico once said Gov-*
19 *ernment establishes its own social security system. The Gov-*
20 *ernment of the nation of Puerto Rico may not use these*
21 *funds for any purpose other than the establishment and op-*
22 *eration of a social security system. Upon the transfer de-*
23 *scribed herein, the obligations of the United States Govern-*
24 *ment under the Social Security Act with respect to such*
25 *residents of the nation of Puerto Rico shall cease.*

1 (c) *OTHER FEDERAL TRANSFER PAYMENTS.*—

2 (1) *BLOCK GRANTS.*—*All other Federal transfer*
3 *payments to individuals and to the Government of the*
4 *territory of Puerto Rico shall be maintained in the*
5 *form of annual block grants to be used discretionally*
6 *by the Government of the nation of Puerto Rico.*

7 (2) *ANNUAL AGGREGATE FUNDING.*—*During the*
8 *ten fiscal years following the proclamation of inde-*
9 *pendence, the annual block grants shall amount to the*
10 *annual aggregate funding of all programs which cur-*
11 *rently extend to the territory of Puerto Rico, or of all*
12 *programs which shall have been extended to the terri-*
13 *tory of Puerto Rico during the fiscal year imme-*
14 *diately prior to the proclamation of independence,*
15 *whichever shall be greater.*

16 (3) *DECREASE IN AMOUNT.*—*The annual block*
17 *grants shall decrease thereafter on a straight-line*
18 *basis, at the rate of ten percent each year, beginning*
19 *on the eleventh fiscal year after the proclamation of*
20 *independence. At any time during the aforementioned*
21 *transition period the terms of this subsection may be*
22 *modified by agreement between the United States and*
23 *the nation of Puerto Rico.*

1 **TITLE II—TRANSITION AND IM-**
2 **PLEMENTATION — SOV-**
3 **EREIGNTY IN FREE ASSOCIA-**
4 **TION WITH THE UNITED**
5 **STATES**

6 **SEC. 201. CONSTITUTIONAL CONVENTION.**

7 (a) *ELECTION OF DELEGATES.*—Not later than 6
8 months after the effective date of certification of a plebiscite
9 result under this Act in favor of Sovereignty in Free Asso-
10 ciation with the United States, the legislature of Puerto
11 Rico shall provide for the election of delegates to a constitu-
12 tional Convention to formulate and draft a Constitution for
13 the nation of Puerto Rico.

14 (b) *ELIGIBLE VOTERS.*—All eligible voters may vote
15 in the election of delegates to the constitutional Convention.

16 (c) *GENERAL APPLICABILITY OF ELECTORAL LAW.*—
17 The laws of the territory of Puerto Rico relating to the elec-
18 toral process shall apply to a special election held under
19 this Act.

20 (d) *INITIAL MEETING.*—Not later than 3 months after
21 the election of delegates to the constitutional Convention,
22 the elected delegates shall meet at such time and place as
23 the legislature of Puerto Rico shall determine. The initial
24 meeting shall constitute the establishment of the constitu-
25 tional Convention.

1 **SEC. 202. CHARACTER OF THE CONSTITUTION.**

2 *The constitutional Convention under section 201 shall*
3 *formulate and draft a Constitution for Puerto Rico that*
4 *guarantees the protection of fundamental human rights, in-*
5 *cluding—*

6 (1) *due process and equal protection under the*
7 *law;*

8 (2) *freedom of speech, press, assembly, associa-*
9 *tion, and religion;*

10 (3) *the rights of the accused;*

11 (4) *any other economic, social, and cultural*
12 *rights as the constitutional Convention may deem ap-*
13 *propriate and necessary; and*

14 (5) *provisions to ensure that no individual born*
15 *in the nation of Puerto Rico shall be stateless at*
16 *birth.*

17 **SEC. 203. SUBMISSION; RATIFICATION.**

18 (a) *SUBMISSION.—Not later than 2 years after the es-*
19 *tablishment of the constitutional Convention, the Constitu-*
20 *tion formulated and drafted by the constitutional Conven-*
21 *tion shall be submitted to the eligible voters of Puerto Rico*
22 *for ratification or rejection in a special election.*

23 (b) *MANNER OF ELECTION.—The special election held*
24 *under this subsection shall be held in the manner prescribed*
25 *by the legislature of Puerto Rico.*

1 **SEC. 204. ELECTION OF OFFICERS.**

2 (a) *IN GENERAL.*—Not later than one month after the
3 ratification of the Constitution under section 203, the Gov-
4 ernor of the territory of Puerto Rico shall issue a proclama-
5 tion calling for the election of such officers of the nation
6 of Puerto Rico as may be required by the ratified Constitu-
7 tion.

8 (b) *REJECTION.*—If the special election results in rejec-
9 tion of the Constitution, the process provided for in sections
10 201 through 203 shall be repeated, except that section
11 201(a) shall be applied by substituting—

12 (1) “the special election” for “a plebiscite”; and

13 (2) “rejecting the Constitution” for “in favor of
14 sovereignty in free association with the United
15 States”.

16 (c) *DEADLINE; PROCEDURES.*—The election under
17 subsection (a) shall be held—

18 (1) not later than 6 months after the date of
19 ratification of the Constitution; and

20 (2) in accordance with the procedures and re-
21 quirements established in the Constitution of the na-
22 tion of Puerto Rico.

23 (d) *CERTIFICATION OF RESULTS.*—Not later than 10
24 days after the election of officers under subsection (a), the
25 Elections Commission shall certify the results of the elec-
26 tion. The Governor of the territory of Puerto Rico shall in-

1 *form the results of the election to the President of the United*
2 *States, the President pro tempore of the United States Sen-*
3 *ate, the Speaker of the United States House of Representa-*
4 *tives, the Committee on Energy and Natural Resources of*
5 *the Senate, and the Committee on Natural Resources of the*
6 *House of Representatives.*

7 **SEC. 205. PROCLAMATIONS BY PRESIDENT OF THE UNITED**
8 **STATES; HEAD OF STATE OF PUERTO RICO.**

9 *(a) PROCLAMATION.—Not later than one month after*
10 *the official certification of the elected officers of the nation*
11 *of Puerto Rico under section 204, the President of the*
12 *United States shall by proclamation—*

13 *(1) withdraw and surrender all rights of posses-*
14 *sion, supervision, jurisdiction, control, or sovereignty*
15 *then existing and exercised by the United States over*
16 *the territory and residents of Puerto Rico;*

17 *(2) recognize, on behalf of the United States of*
18 *America, the international sovereignty through free*
19 *association of the nation of Puerto Rico and the au-*
20 *thority of the government instituted by eligible voters*
21 *of Puerto Rico under the Constitution of their own*
22 *adoption; and*

23 *(3) state that the effective date of withdrawal of*
24 *the sovereignty of the United States and recognition*

1 *of international sovereignty through free association*
2 *shall be the same as the date of the proclamation.*

3 **(b) COPY OF PROCLAMATION FORWARDED.**—*The*
4 *President of the United States shall forward a copy of the*
5 *proclamation issued under subsection (a) not later than one*
6 *week after signature to the presiding officer of the Constitu-*
7 *tional Convention of Puerto Rico, the officer elected as head*
8 *of state of the nation, the President pro tempore of the*
9 *United States Senate, the Speaker of the United States*
10 *House of Representatives, the Senate Committee on Energy*
11 *and Natural Resources, and the House Committee on Nat-*
12 *ural Resources.*

13 **(c) DATE GOVERNMENT TO TAKE OFFICE.**—*Not later*
14 *than one week after the date of receipt of the Presidential*
15 *proclamation and with the advice of the officer elected as*
16 *head of state of the nation, the presiding officer of the con-*
17 *stitutional Convention shall determine the date on which*
18 *the Government of the nation shall take office, and shall*
19 *so notify the Governor of the territory of Puerto Rico, the*
20 *President of the United States, the President pro tempore*
21 *of the United States Senate, and the Speaker of the United*
22 *States House of Representatives.*

23 **SEC. 206. LEGAL AND CONSTITUTIONAL PROVISIONS.**

24 *Upon the proclamation of international sovereignty*
25 *through free association as provided in this Title, and ex-*

1 *cept as otherwise provided in this Title or in any separate*
2 *agreements thereafter concluded between the United States*
3 *and the nation of Puerto Rico—*

4 (1) *all property, rights and interests which the*
5 *United States may have acquired over Puerto Rico by*
6 *virtue of the Treaty of Paris of 1898, and thereafter*
7 *by cession, purchase, or eminent domain, with the ex-*
8 *ception of such land and other property, rights, or in-*
9 *terests as may have been sold or otherwise legally dis-*
10 *posed of prior to the proclamation of international*
11 *sovereignty through free association, shall vest ipso*
12 *facto in the nation of Puerto Rico; and*

13 (2) *except as provided in section 209, all laws of*
14 *the United States applicable to the territory of Puerto*
15 *Rico immediately prior to the proclamation of inter-*
16 *national sovereignty through free association shall no*
17 *longer apply in the nation of Puerto Rico.*

18 **SEC. 207. JUDICIAL PRONOUNCEMENTS.**

19 (a) *JUDGMENTS BEFORE PROCLAMATION.—The na-*
20 *tion of Puerto Rico shall recognize and give effect to all*
21 *orders and judgments rendered by United States or terri-*
22 *torial courts before the date of the proclamation of inter-*
23 *national sovereignty through free association pursuant to*
24 *the laws of the United States then applicable to the territory*
25 *of Puerto Rico.*

1 (b) *CONTINUITY OF PENDING PROCEEDINGS.*—All ju-
2 dicial proceedings pending in the courts of the territory of
3 Puerto Rico on the day of the proclamation of international
4 sovereignty through free association shall be continued in
5 the corresponding courts under the Constitution of the na-
6 tion of Puerto Rico.

7 (c) *TRANSFER OF JUDICIAL POWER.*—Upon the proc-
8 lamation of international sovereignty through free associa-
9 tion, the judicial power of the United States shall no longer
10 extend to Puerto Rico. All proceedings pending in the
11 United States District Court for the District of Puerto Rico
12 shall be transferred to the corresponding Puerto Rican
13 courts of competence or other competent judicial authority
14 under the Constitution of the nation of Puerto Rico for dis-
15 position in conformity with laws applicable at the time
16 when the controversy in process arose. All proceedings pend-
17 ing in the United States Court of Appeals for the First Cir-
18 cuit, or in the Supreme Court of the United States, that
19 initiated in, or that could have been initiated in, the courts
20 of the territory or in the United States District Court for
21 the District of Puerto Rico shall continue until their final
22 disposition and shall be submitted to the competent author-
23 ity of the nation of Puerto Rico for proper execution: Pro-
24 vided, That neither the United States nor any of its officers
25 is a party, in which case any final judgment shall be prop-

1 *erly executed by the competent authority of the United*
2 *States.*

3 **SEC. 208. CITIZENSHIP AND IMMIGRATION LAWS AFTER**
4 **SOVEREIGNTY THROUGH FREE ASSOCIATION.**

5 *(a) IN GENERAL.—*

6 *(1) PUERTO RICAN NATIONALITY.—After the*
7 *proclamation of international sovereignty through free*
8 *association, the citizenship status of each individual*
9 *born in Puerto Rico shall be determined in accord-*
10 *ance with the Constitution and laws of the nation of*
11 *Puerto Rico.*

12 *(2) UNITED STATES IMMIGRATION LAWS.—Ex-*
13 *cept as described in this section, after the proclama-*
14 *tion of international sovereignty through free associa-*
15 *tion, citizens of Puerto Rico seeking to enter into the*
16 *United States or obtain citizenship in the United*
17 *States shall be subject to the immigration laws of the*
18 *United States (as such term is defined in section 101*
19 *of the Immigration and Nationality Act (8 U.S.C.*
20 *1101)).*

21 *(b) EFFECT OF PUERTO RICAN CITIZENSHIP.—Noth-*
22 *ing in this Act precludes or limits the applicability of sec-*
23 *tion 349 of the Immigration and Nationality Act (8 U.S.C.*
24 *1481), except that the provision of citizenship by the laws*
25 *of Puerto Rico shall not constitute or otherwise serve as the*

1 *basis of loss, or relinquishment of United States citizenship*
2 *under such section.*

3 (c) *CITIZENSHIP AT BIRTH AFTER SOVEREIGNTY.—*

4 (1) *IN GENERAL.—Except as described in para-*
5 *graph (2), an individual born in Puerto Rico after*
6 *the proclamation of international sovereignty through*
7 *free association to at least one parent who became a*
8 *United States citizen under section 302 of the Immig-*
9 *ration and Nationality Act (8 U.S.C. 1402) is not*
10 *a United States citizen at birth under subsections (c),*
11 *(d), or (g) of section 301 of the Immigration and Na-*
12 *tionality Act (8 U.S.C. 1401 (c), (d) or (g)).*

13 (2) *TRANSITION PERIOD.—During the implemen-*
14 *tation of the first Articles of Free Association, an in-*
15 *dividual born in Puerto Rico to two parents who are*
16 *citizens of the United States shall be a United States*
17 *citizen at birth under subsection (c) of section 301(c)*
18 *of the Immigration and Nationality Act (8 U.S.C.*
19 *1401(c)) if otherwise eligible.*

20 (d) *TRAVEL AND WORK AUTHORIZATION.—*

21 (1) *Any person in the following categories may*
22 *enter, lawfully engage in occupations, and establish*
23 *residence as a nonimmigrant in the United States*
24 *and its territories and possessions without regard to*
25 *paragraphs (5)(A) and (7) of section 212(a) of the*

1 *Immigration and Nationality Act (8 U.S.C. 1182(a);*
2 *(5)(A) and (7)):*

3 *(A) a person who acquires the citizenship of*
4 *Puerto Rico, at birth, on or after the effective*
5 *date of international sovereignty through free as-*
6 *sociation; or*

7 *(B) a naturalized citizen of Puerto Rico,*
8 *who has been an actual resident there for not less*
9 *than five years after attaining such naturaliza-*
10 *tion and who holds a proof of such residence.*

11 *Such persons shall be considered to have the permis-*
12 *sion of the Secretary of Homeland Security to accept*
13 *employment in the United States.*

14 *(2) The right of such persons to establish habit-*
15 *ual residence in a territory or possession of the*
16 *United States may, however, be subjected to non-*
17 *discriminatory limitations provided for—*

18 *(A) in statutes or regulations of the United*
19 *States; or*

20 *(B) in those statutes or regulations of the*
21 *territory or possession concerned which are au-*
22 *thorized by the laws of the United States.*

23 *(3) This subsection shall expire upon the termi-*
24 *nation of the Articles of Free Association in accord-*
25 *ance with section 211.*

1 (e) *CONFORMING AMENDMENTS.*—

2 (1) *IN GENERAL.*—Section 101 of the *Immigra-*
3 *tion and Nationality Act (8 U.S.C. 1101)* is amended
4 by striking “*Puerto Rico,*” in subsection (a) para-
5 graph (36) and in subsection (a) paragraph (38).

6 (2) *PRIOR TO SOVEREIGNTY.*—*Puerto Rico* shall
7 be considered to be in the United States, as such term
8 is defined in section 101(a)(38) of the *Immigration*
9 and *Nationality Act (8 U.S.C. 1101(a)(38))* prior to
10 the date of international sovereignty through free as-
11 sociation.

12 (f) *RULE OF CONSTRUCTION.*—Nothing in this section
13 shall limit the power and authority of the United States
14 to change policy requirements for United States citizenship.

15 **SEC. 209. CONFORMING AMENDMENTS TO EXISTING LAW.**

16 (a) *REVIEW.*—Not later than 30 days after the initial
17 meeting of a constitutional Convention under section
18 201(d), the President shall initiate a review of Federal law
19 with respect to *Puerto Rico*, including those regarding—

20 (1) *taxation of persons and businesses;*

21 (2) *health care;*

22 (3) *housing;*

23 (4) *transportation;*

24 (5) *education; and*

25 (6) *entitlement programs.*

1 (b) *RECOMMENDATIONS.*—Not later than one year
2 after the date on which the President initiates a review
3 under subsection (a), the President shall submit rec-
4 ommendations to Congress for changes to Federal law iden-
5 tified during such review, as the President deems appro-
6 priate.

7 **SEC. 210. BILATERAL NEGOTIATING COMMISSION.**

8 (a) *IN GENERAL.*—If a plebiscite held under this Act
9 results in a majority vote for sovereignty in free association
10 with the United States, there shall be a Bilateral Negoti-
11 ating Commission which shall conduct negotiations on Arti-
12 cles of Free Association with the United States.

13 (b) *MEMBERS.*—Not later than 3 months after the es-
14 tablishment of the constitutional Convention under section
15 201—

16 (1) the Convention shall elect, by majority vote,
17 5 members from among its delegates to join the Bilat-
18 eral Negotiating Commission on behalf of Puerto
19 Rico; and

20 (2) the President of the United States shall des-
21 ignate 5 members to the Bilateral Negotiating Com-
22 mission, one of whom shall also be nominated for the
23 rank of Ambassador, to negotiate on behalf of the
24 United States.

1 (c) *INITIAL MEETING.*—Not later than 3 months after
2 the election and designation of members to the Bilateral Ne-
3 gotiating Commission, members shall meet at such time and
4 place as the legislature of Puerto Rico shall determine. Such
5 meeting shall constitute the establishment of the Bilateral
6 Negotiating Commission.

7 (d) *DUTIES.*—The Bilateral Negotiating Commission
8 shall—

9 (1) be responsible for expediting the orderly
10 transfer of all functions currently exercised by the
11 Government of the United States in Puerto Rico, to
12 Puerto Rico, and shall recommend to Congress any
13 appropriate legislation to carry into effect such trans-
14 fer, including any appropriate enabling legislation as
15 may be required by the Articles of Free Association;

16 (2) negotiate all matters pertaining to the gov-
17 ernment-to-government relationship between Puerto
18 Rico and the United States through the development
19 of the Articles of Free Association, including foreign
20 affairs, trade, finance, taxation, currency, economic
21 assistance, security and defense, dispute resolution,
22 immigration, economic benefits (including grants),
23 and termination of the free association status; and

1 (3) endeavor to complete the Articles of Free As-
2 sociation not later than 2 years after the commence-
3 ment of the constitutional Convention.

4 (e) *COLLABORATION.*—The Government of the territory
5 of Puerto Rico and the agencies of the Government of the
6 United States shall collaborate with the Bilateral Negoti-
7 ating Commission to provide for the orderly transfer of the
8 functions of government as required by the Articles of Free
9 Association.

10 **SEC. 211. ARTICLES OF FREE ASSOCIATION APPROVAL AND**
11 **EFFECTIVE DATE.**

12 (a) *APPROVAL.*—The Articles of Free Association shall
13 come into effect upon mutual agreement between the Gov-
14 ernment of the United States and the Government of Puerto
15 Rico after completion of approval by—

16 (1) a separate ratification vote on the Articles by
17 the eligible voters in the special election held under
18 section 203; and

19 (2) the Government of the United States in ac-
20 cordance with its constitutional processes.

21 (b) *REJECTION.*—If the special election under sub-
22 section (a)(1) results in rejection of the Articles of Free As-
23 sociation, the process provided for in section 210 and sub-
24 section (a) shall be repeated.

1 **SEC. 212. TERMINATION.**

2 *The Articles of Free Association between the United*
3 *States and Puerto Rico may be terminated at will by either*
4 *party at any time.*

5 **SEC. 213. INDIVIDUAL RIGHTS TO ECONOMIC BENEFITS**
6 **AND GRANTS.**

7 (a) *RIGHTS AND BENEFITS.*—*All vested rights and*
8 *benefits which accrue to residents of the territory of Puerto*
9 *Rico under the laws of the United States from past services*
10 *or contributions, such as rights and benefits for veterans*
11 *or relatives of veterans of the Armed Forces of the United*
12 *States, retired Government employees, or beneficiaries of old*
13 *age, disability, or survivors' insurance benefits under the*
14 *Social Security Act, shall not be interrupted after the proc-*
15 *lamation of international sovereignty through free associa-*
16 *tion but will continue until such time as said rights and*
17 *benefits are completely extinguished according to the appli-*
18 *cable laws of the United States. All services which must be*
19 *rendered as part of these rights and benefits shall be made*
20 *available through the Government of the nation of Puerto*
21 *Rico in accordance with agreements reached by the two na-*
22 *tions.*

23 (b) *SOCIAL SECURITY SYSTEM.*—*Notwithstanding sub-*
24 *section (a), all contributions made by employees and em-*
25 *ployers in Puerto Rico to the Social Security system with*
26 *respect to persons who, upon the proclamation of inter-*

1 *national sovereignty through free association, are residents*
2 *of the nation of Puerto Rico and are not yet eligible for*
3 *old age, disability, or survivors' insurance benefits under*
4 *the system, shall be transferred to the Government of the*
5 *nation of Puerto Rico once said Government establishes its*
6 *own social security system. The Government of the nation*
7 *of Puerto Rico may not use these funds for any purpose*
8 *other than the establishment and operation of a social secu-*
9 *rity system. Upon the transfer described herein, the obliga-*
10 *tions of the United States Government under the Social Se-*
11 *curity Act with respect to such residents of the nation of*
12 *Puerto Rico shall cease.*

13 *(c) OTHER FEDERAL TRANSFER PAYMENTS.—All*
14 *other Federal transfer payments to individuals and to the*
15 *Government of the territory of Puerto Rico shall be main-*
16 *tained in the form of annual block grants to be used*
17 *discretionally by the Government of the nation of Puerto*
18 *Rico—*

19 *(1) during the 10 fiscal years following the proc-*
20 *lamation of international sovereignty through free as-*
21 *sociation, the annual block grants shall amount to the*
22 *annual aggregate funding of all programs which cur-*
23 *rently extend to the territory of Puerto Rico, or of all*
24 *programs which shall have been extended to the terri-*
25 *tory of Puerto Rico during the fiscal year imme-*

1 *diately prior to the proclamation of international sov-*
2 *ereignty through free association, whichever shall be*
3 *greater; and*

4 *(2) the annual block grants shall decrease there-*
5 *after on a straight-line basis, at the rate of ten per-*
6 *cent each year, beginning on the eleventh fiscal year*
7 *after the proclamation of international sovereignty*
8 *through free association. At any time during the*
9 *aforementioned transition period the terms of this*
10 *subsection may be modified by agreement between the*
11 *United States and the nation of Puerto Rico.*

12 *(d) REVISION.—The terms and conditions of this sub-*
13 *section may be revised as part of an agreement under the*
14 *Articles of Free Association.*

15 **TITLE III—TRANSITION AND IM-**
16 **PLEMENTATION — STATE-**
17 **HOOD**

18 **SEC. 301. PRESIDENTIAL PROCLAMATION; ADMISSION INTO**
19 **THE UNION.**

20 *If a plebiscite held under this Act results in a majority*
21 *vote for statehood:*

22 *(1) PRESIDENTIAL PROCLAMATION; DATE OF AD-*
23 *MISSION.—Upon receipt of the Elections Commis-*
24 *sion's certification of the plebiscite results pursuant to*
25 *section 5(d), the President shall issue a proclamation*

1 *declaring the date that Puerto Rico is admitted as a*
2 *State of the Union on an equal footing with all other*
3 *States, which shall be a date not later than one year*
4 *after the effective date of the plebiscite results.*

5 (2) *SUBMISSION OF PROCLAMATION.—The Presi-*
6 *dent shall cause such proclamation to be submitted to*
7 *the Governor of Puerto Rico, the legislature of Puerto*
8 *Rico, the President pro tempore of the United States*
9 *Senate, the Speaker of the United States House of*
10 *Representatives, the Senate Committee on Energy and*
11 *Natural Resources, and the House Committee on Nat-*
12 *ural Resources.*

13 (3) *ADMISSION INTO THE UNION.—Subject to the*
14 *provisions of this Act, and upon the date declared by*
15 *the President for admission of Puerto Rico as a State*
16 *under the proclamation under paragraph (1), the ter-*
17 *ritory of Puerto Rico shall be a State of the United*
18 *States of America and as such admitted into the*
19 *Union on an equal footing with the other States in*
20 *all respects. Upon admission, Puerto Rico shall be*
21 *known as the State of Puerto Rico.*

22 (4) *INCORPORATION.—Puerto Rico shall remain*
23 *unincorporated until its admission as a State of the*
24 *Union under paragraph (3).*

1 **SEC. 302. CONFORMING AMENDMENTS TO EXISTING LAW.**

2 (a) *REVIEW.*—Not later than 30 days after the certifi-
3 cation of a plebiscite result under this Act in favor of state-
4 hood, the President shall initiate a review of Federal law
5 with respect to Puerto Rico, including those regarding—

6 (1) *taxation of persons and businesses;*

7 (2) *health care;*

8 (3) *housing;*

9 (4) *transportation;*

10 (5) *education; and*

11 (6) *entitlement programs.*

12 (b) *RECOMMENDATIONS.*—Not later than one year
13 after the date on which the President initiates a review
14 under subsection (a), the President shall submit any rec-
15 ommendations to Congress for changes to Federal law iden-
16 tified during such review, as the President deems appro-
17 priate.

18 **SEC. 303. TERRITORY AND BOUNDARIES.**

19 *The State of Puerto Rico shall consist of all of the is-*
20 *lands, together with their appurtenant reefs, seafloor, sub-*
21 *merged lands, and territorial waters in the seaward bound-*
22 *ary, presently under the jurisdiction of the territory of*
23 *Puerto Rico.*

24 **SEC. 304. CONSTITUTION.**

25 (a) *IN GENERAL.*—*The Constitution of the territory of*
26 *Puerto Rico, as approved by Public Law 82–447 and subse-*

1 *quently amended as of the date of enactment of this Act*
2 *is hereby found to be republican in form and in conformity*
3 *with the Constitution of the United States and the prin-*
4 *ciples of the Declaration of Independence, and is hereby ac-*
5 *cepted, ratified, and confirmed as the Constitution of the*
6 *State of Puerto Rico.*

7 (b) *FUTURE CONSTITUTIONS.—The Constitution of the*
8 *State of Puerto Rico—*

9 (1) *shall always be republican in form; and*

10 (2) *shall not be repugnant to the Constitution of*
11 *the United States and the principles of the Declara-*
12 *tion of Independence.*

13 **SEC. 305. ELECTIONS OF SENATORS AND REPRESENTA-**
14 **TIVES, CERTIFICATION, AND LEGAL DIS-**
15 **PUTES.**

16 (a) *ELECTIONS OF SENATORS AND REPRESENTA-*
17 *TIVES.—Not more than one month after the proclamation*
18 *under section 301, the Governor of Puerto Rico shall issue*
19 *a declaration that shall designate and announce the dates*
20 *and other requirements for primary and general elections*
21 *under applicable Federal and local law for representation*
22 *in the Senate and the House of Representatives of the*
23 *United States upon admission of Puerto Rico as a State.*

24 (b) *RESIDENT COMMISSIONER.—The office of Resident*
25 *Commissioner of Puerto Rico shall cease to exist upon the*

1 *swearing in of the first Representative from the State of*
2 *Puerto Rico to the House of Representatives.*

3 (c) *SENATORS AND REPRESENTATIVES.*—

4 (1) *IN GENERAL.*—*Upon its admission into the*
5 *Union, the State of Puerto Rico shall be entitled to*
6 *Senators and Representatives who shall be entitled to*
7 *be admitted to seats in the Congress of the United*
8 *States and to all the rights and privileges of Senators*
9 *and Representatives of the other States in the Con-*
10 *gress of the United States.*

11 (2) *FIRST ELECTION OF SENATORS.*—*In the first*
12 *election of Senators, the two senatorial offices shall be*
13 *separately identified and designated, and no person*
14 *may be a candidate for both offices. Nothing in this*
15 *section shall impair the privilege of the Senate to de-*
16 *termine the class and term to which each of the Sen-*
17 *ators elected shall be assigned, with the exception that*
18 *the Senators shall not be in the same class.*

19 (3) *FIRST ELECTION OF REPRESENTATIVES.*—*In*
20 *the first election of Representatives, and subsequent*
21 *elections until the next Census-based reapportionment*
22 *cycle, the State of Puerto Rico shall be entitled to the*
23 *same number of Representatives as the State whose*
24 *most recent Census population was closest to, but less*
25 *than, that of Puerto Rico, and such Representatives*

1 *shall be in addition to the membership of the House*
2 *of Representatives as now prescribed by law. Any*
3 *such increase in the membership shall not operate to*
4 *either increase or decrease the permanent membership*
5 *of the House of Representatives as prescribed in the*
6 *Act of August 8, 1911 (37 Stat. 13), nor shall such*
7 *temporary increase affect the basis of apportionment*
8 *established by the Act of November 15, 1941 (55 Stat.*
9 *761), for the 83d Congress and each Congress there-*
10 *after, unless Congress acts to increase the total num-*
11 *ber of Members of the House of Representatives.*
12 *Thereafter, the State of Puerto Rico shall be entitled*
13 *to such number of Representatives as provided for by*
14 *applicable law based on the next reapportionment.*
15 *The apportionment of congressional districts for the*
16 *first election and subsequent election of Representa-*
17 *tives shall be conducted as provided for by the Con-*
18 *stitution and laws of the State of Puerto Rico for*
19 *state legislative districts.*

20 *(d) CERTIFICATION OF RESULTS.—The Elections Com-*
21 *mission shall certify the results of primary and general elec-*
22 *tions for representation in the Senate and the House of Rep-*
23 *resentatives of the United States to the Governor. Not later*
24 *than 10 days after the date of each certification, the Gov-*
25 *ernor shall declare the results of the primary and general*

1 *elections, and transmit the results of each election to the*
2 *President of the United States, the President pro tempore*
3 *of the Senate, and the Speaker of the House of Representa-*
4 *tives.*

5 *(e) JURISDICTION OF DISTRICT COURT.—The United*
6 *States District Court for the District of Puerto Rico shall*
7 *have original and exclusive jurisdiction of any civil action*
8 *alleging a dispute or controversy pertaining to electoral*
9 *processes conducted under this section.*

10 **SEC. 306. STATE TITLE TO LAND AND PROPERTY.**

11 *(a) STATE TITLE.—The State of Puerto Rico and its*
12 *political subdivisions and dependencies shall have and re-*
13 *tain title to all property, real and personal, held by the*
14 *territory of Puerto Rico and its political subdivisions and*
15 *dependencies on the date of the admission of Puerto Rico*
16 *into the Union.*

17 *(b) FEDERAL TITLE.—Any lands and other properties*
18 *that, as of the date of admission of Puerto Rico into the*
19 *Union, are set aside pursuant to law for the use of the*
20 *United States under any—*

21 *(1) Act of Congress;*

22 *(2) Executive order;*

23 *(3) proclamation of the President; or*

24 *(4) proclamation of the Governor of the territory*
25 *of Puerto Rico,*

1 *shall remain the property of the United States.*

2 (c) *CONTINENTAL SHELF.*—*The State of Puerto Rico*
3 *shall have the exclusive right to explore, exploit, lease, pos-*
4 *sess, and use all seabed, natural, and mineral resources*
5 *lying within three marine leagues (nine nautical miles)*
6 *from its shore, as granted under section 8 of the Act of*
7 *March 2, 1917 (48 U.S.C. 749; 39 Stat. 954). All other*
8 *rights of sovereignty in regards to the continental shelf and*
9 *waters, shall belong to the United States, except those al-*
10 *ready vested in Puerto Rico.*

11 **SEC. 307. CONTINUITY OF LAWS, GOVERNMENT, AND OBLI-**
12 **GATIONS.**

13 *Upon the admission of the State of Puerto Rico into*
14 *the Union:*

15 (1) *CONTINUITY OF LAWS.*—*All of the territorial*
16 *laws in force in Puerto Rico on the date of issuance*
17 *of the proclamation described in section 301(1) not*
18 *inconsistent with this Act or the Constitution of the*
19 *State of Puerto Rico shall be and continue in force*
20 *and effect throughout the State, until amended, modi-*
21 *fied, or repealed by the State. All of the laws of the*
22 *United States shall have the same force and effect*
23 *within the State as in the other several States.*

24 (2) *CONTINUITY OF GOVERNMENT.*—*The individ-*
25 *uals holding legislative, executive, and judicial offices*

1 *of Puerto Rico shall continue to discharge the duties*
2 *of their respective offices when Puerto Rico becomes a*
3 *State of the Union in, under, or by authority of the*
4 *government of the State, as provided by the constitu-*
5 *tion and laws of the State.*

6 (3) *CONTINUITY OF OBLIGATIONS.—All contracts,*
7 *obligations, liabilities, debts, and claims of the terri-*
8 *tory of Puerto Rico and its instrumentalities at the*
9 *moment of admission shall continue in full force and*
10 *effect as the contracts, obligations, liabilities, debts,*
11 *and claims of the State of Puerto Rico and its instru-*
12 *mentalities when Puerto Rico becomes a State of the*
13 *Union.*

14 (4) *USE AND ENJOYMENT OF PROPERTY.—All*
15 *laws of the United States reserving to the United*
16 *States the free use or enjoyment of property which*
17 *vests in or is conveyed to the State of Puerto Rico or*
18 *its political subdivisions pursuant to this section or*
19 *reserving the right to alter, amend, or repeal laws re-*
20 *lating thereto, shall cease to be effective.*

21 **SEC. 308. JUDICIAL PRONOUNCEMENTS.**

22 (a) *PENDING.—No writ, action, indictment, cause, or*
23 *proceeding pending in any court of the territory of Puerto*
24 *Rico, shall abate by reason of the admission of the State*
25 *of Puerto Rico into the Union, but shall proceed within such*

1 *appropriate State courts as shall be established under the*
2 *Constitution of the State of Puerto Rico, or shall continue*
3 *in the United States District Court for the District of Puer-*
4 *to Rico, as the nature of the case may require.*

5 **(b) NOT YET PENDING.**—*All civil causes of action and*
6 *all criminal offenses, which shall have arisen or been com-*
7 *mitted before the admission of the State, but as to which*
8 *no writ, action, indictment, or proceeding shall be pending*
9 *at the date of such admission, shall be subject to prosecution*
10 *in the appropriate State courts or in the United States Dis-*
11 *trict Court for the District of Puerto Rico in like manner,*
12 *to the same extent, and with like right of appellate review,*
13 *as if such State had been created and such State courts had*
14 *been established prior to the accrual of such causes of action*
15 *or the commission of such offenses. The admission of the*
16 *State shall effect no change in the procedural or substantive*
17 *laws governing causes of action and criminal offenses which*
18 *shall have arisen or been committed, and any such criminal*
19 *offenses as shall have been committed against the laws of*
20 *the territory of Puerto Rico, shall be tried and punished*
21 *by the appropriate courts of the State, and any such crimi-*
22 *nal offenses as shall have been committed against the laws*
23 *of the United States shall be tried and punished in the*
24 *United States District Court for the District of Puerto Rico.*

1 (c) *APPEALS.*—Parties shall have the same rights of
2 judicial review of final decisions of the United States Dis-
3 trict Court for the District of Puerto Rico or the Supreme
4 Court of Puerto Rico, in any case finally decided prior to
5 the admission of the State of Puerto Rico into the Union,
6 whether or not an appeal therefrom shall have been per-
7 fected prior to such admission. The United States Court of
8 Appeals for the First Circuit and the Supreme Court of the
9 United States, shall have the same jurisdiction in such cases
10 as by law provided prior to the admission of the State into
11 the Union. Any mandate issued subsequent to the admission
12 of the State, shall be to the United States District Court
13 for the District of Puerto Rico or a court of the State, as
14 appropriate. Parties shall have the same rights of appeal
15 from and appellate review of all orders, judgments, and de-
16 crees of the United States District Court for the District
17 of Puerto Rico and of the Supreme Court of Puerto Rico,
18 in any case pending at the time of admission of the State
19 into the Union, and the Supreme Court of Puerto Rico and
20 the Supreme Court of the United States shall have the same
21 jurisdiction therein, as by law provided in any case arising
22 subsequent to the admission of the State into the Union.