

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 8393
OFFERED BY MR. GRIJALVA OF ARIZONA**

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “Puerto Rico Status
3 Act”.

4 SEC. 2. TABLE OF CONTENTS.

5 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.
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- Sec. 110. Citizenship and immigration laws after Puerto Rican independence.
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IN FREE ASSOCIATION WITH THE UNITED STATES

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TITLE III—TRANSITION AND IMPLEMENTATION — STATEHOOD

- Sec. 301. Presidential proclamation; Admission into the Union.
- Sec. 302. Conforming amendments to existing law.
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- 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
5 freely express their wishes regarding political status and
6 achieve full self-government, Congress seeks to enable the
7 eligible voters of Puerto Rico to choose a permanent, non-
8 territorial, fully self-governing political status for Puerto
9 Rico and to provide for a transition to and the implemen-
10 tation of said permanent, nonterritorial, fully self-gov-
11 erning status.

1 **SEC. 4. DEFINITIONS.**

2 In this Act:

3 (1) **BILATERAL NEGOTIATING COMMISSION.**—

4 The term “Bilateral Negotiating Commission”
5 means the Bilateral Negotiating Commission estab-
6 lished under section 209(a).

7 (2) **ELECTIONS COMMISSION.**—The term “Elec-
8 tions Commission” means the Puerto Rico State
9 Elections Commission (Comisión Estatal de
10 Elecciones de Puerto Rico, in Spanish).

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

15 (4) **INITIAL PLEBISCITE.**—The term “initial
16 plebiscite” means the plebiscite required by section
17 5(a)(1).

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

20 (6) **RUNOFF PLEBISCITE.**—The term “runoff
21 plebiscite” means the plebiscite required by section
22 5(a)(4).

23 **SEC. 5. PLEBISCITE.**

24 (a) **IN GENERAL.**—

1 (1) INITIAL PLEBISCITE.—A plebiscite to re-
2 solve Puerto Rico’s political status shall be held on
3 November 5, 2023.

4 (2) OPTIONS.—The plebiscite held under para-
5 graph (1) shall offer eligible voters a choice of one
6 of the three options which shall be presented on the
7 ballot as follows:

8 (A) Independence.

9 (B) Sovereignty in Free Association with
10 the United States.

11 (C) Statehood.

12 (3) MAJORITY VOTE REQUIRED.—Approval of a
13 status option must be by a majority of the valid
14 votes cast.

15 (4) RUNOFF PLEBISCITE.—If there is not a ma-
16 jority in favor of one of the three options defined in
17 this Act, then a runoff plebiscite shall be held on
18 March 3, 2024, which shall offer eligible voters a
19 choice of the two options that received the most
20 votes in the plebiscite held under paragraph (1).

21 (b) BALLOT LANGUAGE.—A ballot for a plebiscite re-
22 quired by subsection (a) shall include the following lan-
23 guage, except that the ballot for the runoff plebiscite shall
24 omit the option that received the fewest votes in the initial
25 plebiscite:

1 (1) INSTRUCTIONS.—Mark the status option
2 you choose as each is defined below. A ballot with
3 more than 1 option marked will not be counted. A
4 ballot with no option marked will not be counted.

5 (2) INDEPENDENCE.—If you agree, mark here
6 _____.

7 (A) Puerto Rico is a sovereign nation that
8 has full authority and responsibility over its ter-
9 ritory and population under a constitution of its
10 own adoption which shall be the supreme law of
11 the nation.

12 (B) Puerto Rico is vested with full powers
13 and responsibilities consistent with the rights
14 and responsibilities that devolve upon a sov-
15 ereign nation under international law, including
16 its own fiscal and monetary policy, immigration,
17 trade, and the conduct in its own name and
18 right of relations with other nations and inter-
19 national organizations.

20 (C) Puerto Rico has full authority and re-
21 sponsibility over its citizenship and immigration
22 laws, and birth in Puerto Rico or relationship
23 to persons with statutory United States citizen-
24 ship by birth in the former territory shall cease
25 to be a basis for United States nationality or

1 citizenship, except that persons who have such
2 United States citizenship have a right to retain
3 United States nationality and citizenship for
4 life, by entitlement or election as provided by
5 Federal law.

6 (D) Puerto Rico will no longer be a posses-
7 sion of the United States for purposes of the
8 Internal Revenue Code. In general, United
9 States citizens and United States businesses in
10 the nation of Puerto Rico will be subject to
11 United States Federal tax laws (as is the case
12 with any other United States citizen or United
13 States business abroad) and to Puerto Rican
14 tax laws. Puerto Rico's status as an inde-
15 pendent, sovereign nation will be the controlling
16 factor in the taxation of Puerto Rican tax-
17 payers.

18 (E) The Constitution and laws of the
19 United States no longer apply in Puerto Rico
20 and United States sovereignty in Puerto Rico is
21 ended.

22 (3) SOVEREIGNTY IN FREE ASSOCIATION WITH
23 THE UNITED STATES.—If you agree, mark here
24 _____.

1 (A) Puerto Rico is a sovereign nation that
2 has full authority and responsibility over its ter-
3 ritory and population under a constitution of its
4 own adoption which shall be the supreme law of
5 the nation.

6 (B) Puerto Rico is vested with full powers
7 and responsibilities consistent with the rights
8 and responsibilities that devolve upon a sov-
9 eraign nation under international law, including
10 its own fiscal and monetary policy, immigration,
11 trade, and the conduct in its own name and
12 right of relations with other nations and inter-
13 national organizations, except as otherwise pro-
14 vided for in the Articles of Free Association to
15 be negotiated by Puerto Rico and the United
16 States.

17 (C) Puerto Rico has full authority and re-
18 sponsibility over its citizenship and immigration
19 laws, and persons who have United States citi-
20 zenship have a right to retain United States na-
21 tionality and citizenship for life by entitlement
22 or election as provided by Federal law.

23 (D) Birth in Puerto Rico shall cease to be
24 a basis for United States nationality or citizen-
25 ship. Individuals born in Puerto Rico to parents

1 both of whom are United States citizens shall
2 be United States citizens at birth, consistent
3 with the immigration laws of the United States,
4 for the duration of the first agreement of the
5 Articles of Free Association.

6 (E) Puerto Rico enters into Articles of
7 Free Association with the United States, with
8 such devolution and reservation of governmental
9 functions and other bilateral arrangements as
10 may be agreed to by both Parties under the Ar-
11 ticles, which shall be terminable at will by ei-
12 ther the United States or Puerto Rico at any
13 time.

14 (F) Puerto Rico will no longer be a posses-
15 sion of the United States for purposes of the
16 Internal Revenue Code. In general, United
17 States citizens and United States businesses in
18 the nation of Puerto Rico will be subject to
19 United States Federal tax laws (as is the case
20 with any other United States citizen or United
21 States business abroad) and to Puerto Rican
22 tax laws. Puerto Rico's status as an inde-
23 pendent, sovereign nation will be the controlling
24 factor in the taxation of Puerto Rican tax-
25 payers. In addition, Puerto Rico will enter into

1 an agreement with the United States to provide
2 for “Sovereignty in Free Association” between
3 the two nations. This agreement may modify
4 the otherwise applicable tax rules, subject to ne-
5 gotiation and ratification by the two nations.

6 (G) The Constitution of the United States
7 no longer applies in Puerto Rico, the laws of
8 the United States no longer apply in Puerto
9 Rico except as otherwise provided in the Arti-
10 cles of Free Association, and United States sov-
11 ereignty in Puerto Rico is ended.

12 (H) All matters pertaining to the govern-
13 ment-to-government relationship between Puer-
14 to Rico and the United States, which may in-
15 clude foreign affairs, trade, finance, taxation,
16 currency, economic assistance, security and de-
17 fense, dispute resolution and termination, shall
18 be provided for in the Articles of Free Associa-
19 tion.

20 (4) STATEHOOD.—If you agree, mark here
21 _____.

22 (A) The State of Puerto Rico is admitted
23 into the Union on an equal footing with the
24 other States in all respects whatever and is a
25 part of the permanent union of the United

1 States of America, subject to the United States
2 Constitution, with powers not prohibited by the
3 Constitution to the States and reserved to the
4 State of Puerto Rico or to its residents.

5 (B) The residents of Puerto Rico are fully
6 self-governing with their rights secured under
7 the United States Constitution, which shall be
8 fully applicable in Puerto Rico and which, with
9 the laws and treaties of the United States, is
10 the supreme law and has the same force and ef-
11 fect in Puerto Rico as in the other States of the
12 Union.

13 (C) United States citizenship of those born
14 in Puerto Rico is recognized, protected, and se-
15 cured under the United States Constitution in
16 the same way such citizenship is for all United
17 States citizens born in the other States.

18 (D) Puerto Rico will no longer be a posses-
19 sion of the United States for purposes of the
20 Internal Revenue Code. Instead, the State of
21 Puerto Rico will become a State on equal foot-
22 ing with each of the current 50 States in the
23 United States of America. Individuals and busi-
24 nesses resident in the State of Puerto Rico will

1 be subject to United States Federal tax laws as
2 well as applicable State tax laws.

3 (c) IMPLEMENTATION OF PLEBISCITE.—The plebi-
4 scites authorized by this section shall be implemented by
5 the Elections Commission, consistent with the laws of
6 Puerto Rico and Federal law.

7 (d) RESULTS.—The Elections Commission shall in-
8 form the President of the United States, the President pro
9 tempore of the United States Senate, the Speaker of the
10 United States House of Representatives, the Senate Com-
11 mittee on Energy and Natural Resources, and the House
12 Committee on Natural Resources of—

13 (1) the results of the initial plebiscite not later
14 than 30 calendar days after the initial plebiscite is
15 held; and

16 (2) the results of the runoff plebiscite, if held,
17 not later than 30 calendar days after the runoff
18 plebiscite is held.

19 (e) JURISDICTION OF DISTRICT COURT.—The United
20 States District Court for the District of Puerto Rico shall
21 have original and exclusive jurisdiction of any civil action
22 alleging a dispute or controversy pertaining to electoral
23 processes conducted under this section.

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

2 (a) IN GENERAL.—The Elections Commission shall
3 carry out a nonpartisan voter education campaign through
4 traditional paid media and make available at all voting lo-
5 cations voter education materials related to the plebiscites
6 authorized under this Act consistent with Department of
7 Justice approval under section 7.

8 (b) VOTER EDUCATION MATERIALS.—At a min-
9 imum, the voter education materials shall address for each
10 option—

11 (1) international representation;

12 (2) citizenship and immigration; and

13 (3) access and treatment under Federal law
14 and programs.

15 **SEC. 7. OVERSIGHT.**

16 (a) SUBMISSION OF MATERIALS.—Not later than 60
17 days after the date of the enactment of this Act, the Elec-
18 tions Commission shall submit the ballot design and voter
19 education materials for the plebiscites authorized under
20 this Act to the United States Attorney General for review
21 and the Elections Commission shall make not more than
22 one submission of the ballot design and voter education
23 materials to the Attorney General for review.

24 (b) EFFECT OF FAILURE TO COMPLY.—If the Attor-
25 ney General fails to comply with subsection (c) within the

1 45-day period, the ballot design and voter education mate-
2 rials shall be considered approved.

3 (c) REVIEW.—Not later than 45 days after receiving
4 the ballot design and voter education materials under sub-
5 section (a), the Attorney General shall review the ballot
6 design and voter education materials to ensure consistency
7 with this Act and to ensure that the three options defined
8 in this Act are represented fairly, especially in the event
9 that any of the three options are not represented on the
10 Elections Commission by a member of a political party
11 that supports such option, and—

12 (1) return the materials to the Elections Com-
13 mission with comments and instructions for changes;
14 or

15 (2) before the expiration of the 45-day period,
16 inform the Elections Commission that no instruc-
17 tions or requests for changes shall be made under
18 paragraph (1), but that the Attorney General re-
19 serves the right to submit instructions for changes
20 in accordance with this section if additional informa-
21 tion comes to the attention of the Attorney General
22 during the remainder of the 45-day period.

23 (d) REVISION.—Not later than 45 days after receiv-
24 ing comments and instructions for changes from the At-
25 torney General under subsection (c), the Elections Com-

1 mission shall revise the ballot design and voter education
2 materials as requested by the Attorney General.

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

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

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

13 **SEC. 9. BILINGUAL VOTER EDUCATIONAL MATERIALS AND**
14 **BALLOTS.**

15 All voter educational materials and ballots used to
16 carry out this Act shall be made available in English and
17 Spanish.

18 **SEC. 10. PUERTO RICO OVERSIGHT, MANAGEMENT, AND**
19 **ECONOMIC STABILITY ACT.**

20 Upon the admission of the State of Puerto Rico into
21 the Union or on the date that the Government of the na-
22 tion of Puerto Rico initially takes office:

23 (1) **IN GENERAL.**—The Puerto Rico Oversight,
24 Management, and Economic Stability Act (48
25 U.S.C. 2101 et seq.) shall no longer apply to the

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

3 (2) OVERSIGHT BOARD.—The Financial Over-
4 sight and Management Board for Puerto Rico estab-
5 lished under section 101(b)(1) of the Puerto Rico
6 Oversight, Management, and Economic Stability Act
7 (48 U.S.C. 2121(b)(1)) is terminated and all duties
8 and responsibilities assigned to the Oversight Board
9 shall return to the State of Puerto Rico or the na-
10 tion of Puerto Rico, as the case may be.

11 (3) TRANSFER.—All funds, property, and assets
12 of the board described in subparagraph (B) shall be
13 transferred to the State of Puerto Rico or the nation
14 of Puerto Rico, as the case may be.

15 **SEC. 11. SEVERABILITY.**

16 If any provision of this Act, or any section, sub-
17 section, sentence, clause, phrase, or individual word, or the
18 application thereof to any person or circumstance is held
19 invalid by a court of jurisdiction, the validity of the re-
20 mainder of the Act and of the application of any such pro-
21 vision, section, subsection, sentence, clause, phrase, or in-
22 dividual word to other persons and circumstances shall not
23 be affected thereby.

1 **TITLE I—TRANSITION AND IM-**
2 **PLEMENTATION — INDE-**
3 **PENDENCE**

4 **SEC. 101. CONSTITUTIONAL CONVENTION.**

5 (a) ELECTION OF DELEGATES.— Not later than 6
6 months after the effective date of certification of a plebi-
7 scite result under this Act in favor of independence, the
8 legislature of Puerto Rico shall provide for the election of
9 delegates to a constitutional Convention to formulate and
10 draft a Constitution for the nation of Puerto Rico.

11 (b) ELIGIBLE VOTERS.—All eligible voters may vote
12 in the election of delegates to the constitutional Conven-
13 tion.

14 (c) GENERAL APPLICABILITY OF ELECTORAL
15 LAW.—The laws of the territory of Puerto Rico relating
16 to the electoral process shall apply to a special election
17 held under this Act.

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

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

2 The constitutional Convention under section 101
3 shall formulate and draft a Constitution for Puerto Rico
4 that guarantees the protection of fundamental human
5 rights, including—

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
13 appropriate 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. 103. SUBMISSION; RATIFICATION.**

18 (a) SUBMISSION.—Not later than one year after the
19 establishment of the constitutional Convention, the Con-
20 stitution formulated and drafted by the constitutional
21 Convention shall be submitted to the eligible voters of
22 Puerto Rico for ratification or rejection in a special elec-
23 tion.

24 (b) MANNER OF ELECTION.—The special election
25 held under this subsection shall be held in the manner pre-
26 scribed by the legislature of Puerto Rico.

1 **SEC. 104. ELECTION OF OFFICERS.**

2 (a) IN GENERAL.—Not later than one month after
3 the ratification of the Constitution under section 103, the
4 Governor of the territory of Puerto Rico shall issue a proce-
5 lamation calling for the election of such officers of the na-
6 tion of Puerto Rico as may be required by the ratified
7 Constitution.

8 (b) REJECTION.—If the special election results in re-
9 jection of the Constitution, the process provided for in sec-
10 tions 101 through 103 shall be repeated, except that sec-
11 tion 101(a) shall be applied by substituting—

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

13 (2) “rejecting of the Constitution” for “in favor
14 of independence”.

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

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

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

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

1 United States, the President pro tempore of the United
2 States Senate, the Speaker of the United States House
3 of Representatives, the Committee on Energy and Natural
4 Resources of the Senate, and the Committee on Natural
5 Resources of the House of Representatives.

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

7 (a) REVIEW.—Not later than 30 days after the initial
8 meeting of a constitutional Convention under section
9 101(d), the President shall initiate a review of Federal law
10 with respect to Puerto Rico, including those regarding—

- 11 (1) taxation of persons and businesses;
- 12 (2) health care;
- 13 (3) housing;
- 14 (4) transportation;
- 15 (5) education; and
- 16 (6) entitlement programs.

17 (b) RECOMMENDATIONS.—Not later than one year
18 after the date on which the President initiates a review
19 under subsection (a), the President shall submit rec-
20 ommendations to Congress for changes to Federal law
21 identified during such review, as the President deems ap-
22 propriate.

23 **SEC. 106. JOINT TRANSITION COMMISSION.**

24 (a) APPOINTMENT.—Not later than 3 months after
25 the establishment of a constitutional Convention under

1 section 101(d), a Joint Transition Commission shall be
2 appointed in equal numbers by the President of the United
3 States and the presiding officer of the Constitutional Con-
4 vention of Puerto Rico.

5 (b) DUTIES.—The Joint Transition Commission shall
6 be responsible for expediting the orderly transfer of all
7 functions currently exercised by the Federal Government
8 in Puerto Rico, or in relation to Puerto Rico to the nation
9 of Puerto Rico, and shall recommend to Congress any ap-
10 propriate legislation to carry out such transfer.

11 (c) COLLABORATION.—The Government of the terri-
12 tory of Puerto Rico and the agencies of the Government
13 of the United States shall collaborate with the Joint Tran-
14 sition Commission and subsequently the officers of the na-
15 tion of Puerto Rico, to provide for the orderly transfer
16 of the functions under subsection (b).

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

19 (a) PROCLAMATION.—Not later than one month after
20 the official certification of the elected officers of the nation
21 of Puerto Rico under section 104(d), the President of the
22 United States shall by proclamation—

23 (1) withdraw and surrender all rights of posses-
24 sion, supervision, jurisdiction, control, or sovereignty

1 then existing and exercised by the United States
2 over the territory and residents of Puerto Rico;

3 (2) recognize, on behalf of the United States of
4 America, the independence of the nation of Puerto
5 Rico and the authority of the government instituted
6 by eligible voters of Puerto Rico under the Constitu-
7 tion of their own adoption; and

8 (3) state that the effective date of withdrawal
9 of the sovereignty of the United States and recogni-
10 tion of independence shall be the same as the date
11 of the proclamation.

12 (b) COPY OF PROCLAMATION FORWARDED.—The
13 President of the United States shall forward a copy of the
14 proclamation issued under subsection (a) not later than
15 one week after signature to the presiding officer of the
16 Constitutional Convention of Puerto Rico, the officer elect-
17 ed as head of state of the nation, the President pro tem-
18 pore of the United States Senate, the Speaker of the
19 United States House of Representatives, the Senate Com-
20 mittee on Energy and Natural Resources, and the House
21 Committee on Natural Resources.

22 (c) DATE GOVERNMENT TO TAKE OFFICE.—Not
23 later than one week after the date of receipt of the Presi-
24 dential proclamation and with the advice of the officer
25 elected as head of state of the nation, the presiding officer

1 of the constitutional Convention shall determine the date
2 on which the Government of the nation shall take office,
3 and shall so notify the Governor of the territory of Puerto
4 Rico, the President of the United States, the President
5 pro tempore of the United States Senate, and the Speaker
6 of the United States House of Representatives.

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

8 Upon the proclamation of independence as provided
9 in this Title, and except as otherwise provided in this Title
10 or in any separate agreements thereafter concluded be-
11 tween the United States and the nation of Puerto Rico—

12 (1) all property, rights and interests which the
13 United States may have acquired over Puerto Rico
14 by virtue of the Treaty of Paris of 1898, and there-
15 after by cession, purchase, or eminent domain, with
16 the exception of such land and other property,
17 rights, or interests as may have been sold or other-
18 wise legally disposed of prior to the proclamation of
19 Independence, shall vest ipso facto in the nation of
20 Puerto Rico; and

21 (2) except as provided in section 110, all laws
22 of the United States applicable to the territory of
23 Puerto Rico immediately prior to the proclamation
24 of Independence shall no longer apply in the nation
25 of Puerto Rico.

1 **SEC. 109. JUDICIAL PRONOUNCEMENTS.**

2 (a) JUDGMENTS BEFORE PROCLAMATION.—The na-
3 tion of Puerto Rico shall recognize and give effect to all
4 orders and judgments rendered by United States or terri-
5 torial courts before the date of the proclamation of inde-
6 pendence pursuant to the laws of the United States then
7 applicable to the territory of Puerto Rico.

8 (b) CONTINUITY OF PENDING PROCEEDINGS.—All
9 judicial proceedings pending in the courts of the territory
10 of Puerto Rico on the day of the proclamation of independ-
11 ence shall be continued in the corresponding courts under
12 the Constitution of the nation of Puerto Rico.

13 (c) TRANSFER OF JUDICIAL POWER.—Upon the
14 proclamation of independence, the judicial power of the
15 United States shall no longer extend to Puerto Rico. All
16 proceedings pending in the United States District Court
17 for the District of Puerto Rico shall be transferred to the
18 corresponding Puerto Rican courts of competence or other
19 competent judicial authority under the Constitution of the
20 nation of Puerto Rico for disposition in conformity with
21 laws applicable at the time when the controversy in proc-
22 ess arose. All proceedings pending in the United States
23 Court of Appeals for the First Circuit, or in the Supreme
24 Court of the United States, that initiated in, or that could
25 have been initiated in, the courts of the territory or in
26 the United States District Court for the District of Puerto

1 Rico shall continue until their final disposition and shall
2 be submitted to the competent authority of the nation of
3 Puerto Rico for proper execution: *Provided*, That neither
4 the United States nor any of its officers is a party, in
5 which case any final judgment shall be properly executed
6 by the competent authority of the United States.

7 **SEC. 110. CITIZENSHIP AND IMMIGRATION LAWS AFTER**
8 **PUERTO RICAN INDEPENDENCE.**

9 (a) IN GENERAL.—

10 (1) PUERTO RICAN NATIONALITY.—After the
11 effective date of independence, the citizenship status
12 of each individual born in Puerto Rico shall be de-
13 termined in accordance with the Constitution and
14 laws of the nation of Puerto Rico.

15 (2) UNITED STATES IMMIGRATION LAWS.—Ex-
16 cept as described in this section, after the effective
17 date of independence citizens of Puerto Rico seeking
18 to enter into the United States or obtain citizenship
19 in the United States shall be subject to the immigra-
20 tion laws of the United States (as such term is de-
21 fined in section 101 of the Immigration and Nation-
22 ality Act (8 U.S.C. 1101)).

23 (b) EFFECT OF PUERTO RICAN CITIZENSHIP.—
24 Nothing in this Act precludes or limits the applicability
25 of section 349 of the Immigration and Nationality Act (8

1 U.S.C. 1481), except that the provision of citizenship by
2 the laws of Puerto Rico shall not constitute or otherwise
3 serve as the basis of loss, or relinquishment of United
4 States citizenship under such section.

5 (c) CITIZENSHIP AT BIRTH AFTER INDEPEND-
6 ENCE.—An individual born in Puerto Rico after the effec-
7 tive date of independence to at least one parent who be-
8 came a United States citizen under section 302 of the Im-
9 migration and Nationality Act (8 U.S.C. 1402) is not a
10 United States citizen at birth under subsections (c), (d),
11 or (g) of section 301 of the Immigration and Nationality
12 Act (8 U.S.C. 1401(c), (d) or (g)).

13 (d) TRAVEL AND WORK AUTHORIZATION.—

14 (1) Any person in the following categories may
15 enter, lawfully engage in occupations, and establish
16 residence as a nonimmigrant in the United States
17 and its territories and possessions without regard to
18 paragraphs (5)(A) and (7) of section 212(a) of the
19 Immigration and Nationality Act (8 U.S.C. 1182(a);
20 (5)(A) and (7))—

21 (A) a person who acquires the citizenship
22 of Puerto Rico, at birth, on or after the effec-
23 tive date of independence; or

24 (B) a naturalized citizen of Puerto Rico,
25 who has been an actual resident there for not

1 less than five years after attaining such natu-
2 ralization and who holds a proof of such resi-
3 dence.

4 Such persons shall be considered to have the permis-
5 sion of the Secretary of Homeland Security to accept
6 employment in the United States.

7 (2) The right of such persons to establish habit-
8 ual residence in a territory or possession of the
9 United States may, however, be subjected to non-
10 discriminatory limitations provided for—

11 (A) in statutes or regulations of the United
12 States; or

13 (B) in those statutes or regulations of the
14 territory or possession concerned which are au-
15 thorized by the laws of the United States.

16 (3) This subsection shall expire 25 years after
17 the date of independence.

18 (e) CONFORMING AMENDMENTS.—

19 (1) IN GENERAL.—Section 101 of the Immigra-
20 tion and Nationality Act (8 U.S.C. 1101) is amend-
21 ed by striking “Puerto Rico,” in subsection (a) para-
22 graph (36) and in subsection (a) paragraph (38).

23 (2) PRIOR TO INDEPENDENCE.—Puerto Rico
24 shall be considered to be in the United States, as
25 such term is defined in section 101(a)(38) of the

1 Immigration and Nationality Act (8 U.S.C.
2 1101(a)(38)) prior to the effective date of independ-
3 ence.

4 (f) RULE OF CONSTRUCTION.—Nothing in this sec-
5 tion shall limit the power and authority of the United
6 States to change policy requirements for United States
7 citizenship.

8 **SEC. 111. INDIVIDUAL RIGHTS TO ECONOMIC BENEFITS**
9 **AND GRANTS.**

10 (a) RIGHTS AND BENEFITS.—All vested rights and
11 benefits which accrue to residents of the territory of Puer-
12 to Rico under the laws of the United States from past
13 services or contributions, such as rights and benefits for
14 veterans or relatives of veterans of the Armed Forces of
15 the United States, retired Government employees, or bene-
16 ficiaries of old age, disability, or survivors' insurance bene-
17 fits under the Social Security Act, shall not be interrupted
18 after the proclamation of independence but will continue
19 until such time as said rights and benefits are completely
20 extinguished according to the applicable laws of the
21 United States. All services which must be rendered as part
22 of these rights and benefits shall be made available
23 through the Government of the nation of Puerto Rico in
24 accordance with agreements reached by the two nations.

1 (b) SOCIAL SECURITY SYSTEM.—Notwithstanding
2 the provisions in subsection (a), all contributions made by
3 employees and employers in Puerto Rico to the Social Se-
4 curity system with respect to persons who, upon the pro-
5 clamation of independence, are residents of the nation of
6 Puerto Rico and are not yet eligible for old age, disability,
7 or survivors' insurance benefits under the system, shall be
8 transferred to the Government of the nation of Puerto
9 Rico once said Government establishes its own social secu-
10 rity system. The Government of the nation of Puerto Rico
11 may not use these funds for any purpose other than the
12 establishment and operation of a social security system.
13 Upon the transfer described herein, the obligations of the
14 United States Government under the Social Security Act
15 with respect to such residents of the nation of Puerto Rico
16 shall cease.

17 (c) OTHER FEDERAL TRANSFER PAYMENTS.—

18 (1) BLOCK GRANTS.—All other Federal transfer
19 payments to individuals and to the Government of
20 the territory of Puerto Rico shall be maintained in
21 the form of annual block grants to be used
22 discretionally by the Government of the nation of
23 Puerto Rico.

24 (2) ANNUAL AGGREGATE FUNDING.—During
25 the ten fiscal years following the proclamation of

1 independence, the annual block grants shall amount
2 to the annual aggregate funding of all programs
3 which currently extend to the territory of Puerto
4 Rico, or of all programs which shall have been ex-
5 tended to the territory of Puerto Rico during the fis-
6 cal year immediately prior to the proclamation of
7 independence, whichever shall be greater.

8 (3) DECREASE IN AMOUNT.—The annual block
9 grants shall decrease thereafter on a straight-line
10 basis, at the rate of ten percent each year, beginning
11 on the eleventh fiscal year after the proclamation of
12 independence. At any time during the aforemen-
13 tioned transition period the terms of this subsection
14 may be modified by agreement between the United
15 States and the nation of Puerto Rico.

16 **TITLE II—TRANSITION AND IM-**
17 **PLEMENTATION — SOV-**
18 **EREIGNTY IN FREE ASSOCIA-**
19 **TION WITH THE UNITED**
20 **STATES**

21 **SEC. 201. CONSTITUTIONAL CONVENTION.**

22 (a) ELECTION OF DELEGATES.—Not later than 6
23 months after the effective date of certification of a plebi-
24 scite result under this Act in favor of Sovereignty in Free
25 Association with the United States, the legislature of

1 Puerto Rico shall provide for the election of delegates to
2 a constitutional Convention to formulate and draft a Con-
3 stitution for the nation of Puerto Rico.

4 (b) ELIGIBLE VOTERS.—All eligible voters may vote
5 in the election of delegates to the constitutional Conven-
6 tion.

7 (c) GENERAL APPLICABILITY OF ELECTORAL
8 LAW.—The laws of the territory of Puerto Rico relating
9 to the electoral process shall apply to a special election
10 held under this Act.

11 (d) INITIAL MEETING.—Not later than 3 months
12 after the election of delegates to the constitutional Con-
13 vention, the elected delegates shall meet at such time and
14 place as the legislature of Puerto Rico shall determine.
15 The initial meeting shall constitute the establishment of
16 the constitutional Convention.

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

18 The constitutional Convention under section 201
19 shall formulate and draft a Constitution for Puerto Rico
20 that guarantees the protection of fundamental human
21 rights, including—

22 (1) due process and equal protection under the
23 law;

24 (2) freedom of speech, press, assembly, associa-
25 tion, and religion;

1 (3) the rights of the accused;

2 (4) any other economic, social, and cultural
3 rights as the constitutional Convention may deem
4 appropriate and necessary; and

5 (5) provisions to ensure that no individual born
6 in the nation of Puerto Rico shall be stateless at
7 birth.

8 **SEC. 203. SUBMISSION; RATIFICATION.**

9 (a) SUBMISSION.—Not later than 2 years after the
10 establishment of the constitutional Convention, the Con-
11 stitution formulated and drafted by the constitutional
12 Convention shall be submitted to the eligible voters of
13 Puerto Rico for ratification or rejection in a special elec-
14 tion.

15 (b) MANNER OF ELECTION.—The special election
16 held under this subsection shall be held in the manner pre-
17 scribed by the legislature of Puerto Rico.

18 **SEC. 204. ELECTION OF OFFICERS.**

19 (a) IN GENERAL.—Not later than one month after
20 the ratification of the Constitution under section 203, the
21 Governor of the territory of Puerto Rico shall issue a proc-
22 lamation calling for the election of such officers of the na-
23 tion of Puerto Rico as may be required by the ratified
24 Constitution.

1 (b) REJECTION.—If the special election results in re-
2 jection of the Constitution, the process provided for in sec-
3 tions 201 through 203 shall be repeated, except that sec-
4 tion 201(a) shall be applied by substituting—

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

6 (2) “rejecting the Constitution” for “in favor of
7 sovereignty in free association with the United
8 States”.

9 (c) DEADLINE; PROCEDURES.—The election under
10 subsection (a) shall be held—

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

13 (2) in accordance with the procedures and re-
14 quirements established in the Constitution of the na-
15 tion of Puerto Rico.

16 (d) CERTIFICATION OF RESULTS.—Not later than 10
17 days after the election of officers under subsection (a), the
18 Elections Commission shall certify the results of the elec-
19 tion. The Governor of the territory of Puerto Rico shall
20 inform the results of the election to the President of the
21 United States, the President pro tempore of the United
22 States Senate, the Speaker of the United States House
23 of Representatives, the Committee on Energy and Natural
24 Resources of the Senate, and the Committee on Natural
25 Resources of the House of Representatives.

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

3 (a) PROCLAMATION.—Not later than one month after
4 the official certification of the elected officers of the nation
5 of Puerto Rico under section 204, the President of the
6 United States shall by proclamation—

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

11 (2) recognize, on behalf of the United States of
12 America, the international sovereignty through free
13 association of the nation of Puerto Rico and the au-
14 thority of the government instituted by eligible vot-
15 ers of Puerto Rico under the Constitution of their
16 own adoption; and

17 (3) state that the effective date of withdrawal
18 of the sovereignty of the United States and recogni-
19 tion of international sovereignty through free asso-
20 ciation shall be the same as the date of the procla-
21 mation.

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
25 one week after signature to the presiding officer of the
26 Constitutional Convention of Puerto Rico, the officer elect-

1 ed as head of state of the nation, the President pro tem-
2 pore of the United States Senate, the Speaker of the
3 United States House of Representatives, the Senate Com-
4 mittee on Energy and Natural Resources, and the House
5 Committee on Natural Resources.

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

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

17 Upon the proclamation of international sovereignty
18 through free association as provided in this Title, and ex-
19 cept as otherwise provided in this Title or in any separate
20 agreements thereafter concluded between the United
21 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
24 by virtue of the Treaty of Paris of 1898, and there-
25 after by cession, purchase, or eminent domain, with

1 the exception of such land and other property,
2 rights, or interests as may have been sold or other-
3 wise legally disposed of prior to the proclamation of
4 international sovereignty through free association,
5 shall vest ipso facto in the nation of Puerto Rico;
6 and

7 (2) except as provided in section 209, all laws
8 of the United States applicable to the territory of
9 Puerto Rico immediately prior to the proclamation
10 of international sovereignty through free association
11 shall no longer apply in the nation of Puerto Rico.

12 **SEC. 207. JUDICIAL PRONOUNCEMENTS.**

13 (a) JUDGMENTS BEFORE PROCLAMATION.—The na-
14 tion of Puerto Rico shall recognize and give effect to all
15 orders and judgments rendered by United States or terri-
16 torial courts before the date of the proclamation of inter-
17 national sovereignty through free association pursuant to
18 the laws of the United States then applicable to the terri-
19 tory of Puerto Rico.

20 (b) CONTINUITY OF PENDING PROCEEDINGS.—All
21 judicial proceedings pending in the courts of the territory
22 of Puerto Rico on the day of the proclamation of inter-
23 national sovereignty through free association shall be con-
24 tinued in the corresponding courts under the Constitution
25 of the nation of Puerto Rico.

1 (c) TRANSFER OF JUDICIAL POWER.—Upon the
2 proclamation of international sovereignty through free as-
3 sociation, the judicial power of the United States shall no
4 longer extend to Puerto Rico. All proceedings pending in
5 the United States District Court for the District of Puerto
6 Rico shall be transferred to the corresponding Puerto
7 Rican courts of competence or other competent judicial
8 authority under the Constitution of the nation of Puerto
9 Rico for disposition in conformity with laws applicable at
10 the time when the controversy in process arose. All pro-
11 ceedings pending in the United States Court of Appeals
12 for the First Circuit, or in the Supreme Court of the
13 United States, that initiated in, or that could have been
14 initiated in, the courts of the territory or in the United
15 States District Court for the District of Puerto Rico shall
16 continue until their final disposition and shall be sub-
17 mitted to the competent authority of the nation of Puerto
18 Rico for proper execution: *Provided*, That neither the
19 United States nor any of its officers is a party, in which
20 case any final judgment shall be properly executed by the
21 competent authority of the United States.

22 **SEC. 208. CITIZENSHIP AND IMMIGRATION LAWS AFTER**
23 **SOVEREIGNTY THROUGH FREE ASSOCIATION.**

24 (a) IN GENERAL.—

1 (1) PUERTO RICAN NATIONALITY.—After the
2 proclamation of international sovereignty through
3 free association, the citizenship status of each indi-
4 vidual born in Puerto Rico shall be determined in
5 accordance with the Constitution and laws of the na-
6 tion of Puerto Rico.

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

16 (b) EFFECT OF PUERTO RICAN CITIZENSHIP.—
17 Nothing in this Act precludes or limits the applicability
18 of section 349 of the Immigration and Nationality Act (8
19 U.S.C. 1481), except that the provision of citizenship by
20 the laws of Puerto Rico shall not constitute or otherwise
21 serve as the basis of loss, or relinquishment of United
22 States citizenship under such section.

23 (c) CITIZENSHIP AT BIRTH AFTER SOVEREIGNTY.—

24 (1) IN GENERAL.—Except as described in para-
25 graph (2), an individual born in Puerto Rico after

1 the proclamation of international sovereignty
2 through free association to at least one parent who
3 became a United States citizen under section 302 of
4 the Immigration and Nationality Act (8 U.S.C.
5 1402) is not a United States citizen at birth under
6 subsections (c), (d), or (g) of section 301 of the Im-
7 migration and Nationality Act (8 U.S.C. 1401 (c),
8 (d) or (g)).

9 (2) TRANSITION PERIOD.—During the imple-
10 mentation of the first Articles of Free Association,
11 an individual born in Puerto Rico to two parents
12 who are citizens of the United States shall be a
13 United States citizen at birth under subsection (c)
14 of section 301(c) of the Immigration and Nationality
15 Act (8 U.S.C. 1401(c)) if otherwise eligible.

16 (d) TRAVEL AND WORK AUTHORIZATION.—

17 (1) Any person in the following categories may
18 enter, lawfully engage in occupations, and establish
19 residence as a nonimmigrant in the United States
20 and its territories and possessions without regard to
21 paragraphs (5)(A) and (7) of section 212(a) of the
22 Immigration and Nationality Act (8 U.S.C. 1182(a);
23 (5)(A) and (7)):

24 (A) a person who acquires the citizenship
25 of Puerto Rico, at birth, on or after the effec-

1 tive date of international sovereignty through
2 free association; or

3 (B) a naturalized citizen of Puerto Rico,
4 who has been an actual resident there for not
5 less than five years after attaining such natu-
6 ralization and who holds a proof of such resi-
7 dence.

8 Such persons shall be considered to have the permis-
9 sion of the Secretary of Homeland Security to accept
10 employment in the United States.

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

15 (A) in statutes or regulations of the United
16 States; or

17 (B) in those statutes or regulations of the
18 territory or possession concerned which are au-
19 thorized by the laws of the United States.

20 (3) This subsection shall expire upon the termi-
21 nation of the Articles of Free Association in accord-
22 ance with section 211.

23 (e) CONFORMING AMENDMENTS.—

24 (1) IN GENERAL.—Section 101 of the Immigra-
25 tion and Nationality Act (8 U.S.C. 1101) is amend-

1 ed by striking “Puerto Rico,” in subsection (a) para-
2 graph (36) and in subsection (a) paragraph (38).

3 (2) PRIOR TO SOVEREIGNTY.—Puerto Rico
4 shall be considered to be in the United States, as
5 such term is defined in section 101(a)(38) of the
6 Immigration and Nationality Act (8 U.S.C.
7 1101(a)(38)) prior to the date of international sov-
8 ereignty through free association.

9 (f) RULE OF CONSTRUCTION.—Nothing in this sec-
10 tion shall limit the power and authority of the United
11 States to change policy requirements for United States
12 citizenship.

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

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

- 18 (1) taxation of persons and businesses;
19 (2) health care;
20 (3) housing;
21 (4) transportation;
22 (5) education; and
23 (6) entitlement programs.

24 (b) RECOMMENDATIONS.—Not later than one year
25 after the date on which the President initiates a review

1 under subsection (a), the President shall submit rec-
2 ommendations to Congress for changes to Federal law
3 identified during such review, as the President deems ap-
4 propriate.

5 **SEC. 210. BILATERAL NEGOTIATING COMMISSION.**

6 (a) IN GENERAL.—If a plebiscite held under this Act
7 results in a majority vote for sovereignty in free associa-
8 tion with the United States, there shall be a Bilateral Ne-
9 gotiating Commission which shall conduct negotiations on
10 Articles of Free Association with the United States.

11 (b) MEMBERS.—Not later than 3 months after the
12 establishment of the constitutional Convention under sec-
13 tion 201—

14 (1) the Convention shall elect, by majority vote,
15 5 members from among its delegates to join the Bi-
16 lateral Negotiating Commission on behalf of Puerto
17 Rico; and

18 (2) the President of the United States shall
19 designate 5 members to the Bilateral Negotiating
20 Commission, one of whom shall also be nominated
21 for the rank of Ambassador, to negotiate on behalf
22 of the United States.

23 (c) INITIAL MEETING.—Not later than 3 months
24 after the election and designation of members to the Bilat-
25 eral Negotiating Commission, members shall meet at such

1 time and place as the legislature of Puerto Rico shall de-
2 termine. Such meeting shall constitute the establishment
3 of the Bilateral Negotiating Commission.

4 (d) DUTIES.—The Bilateral Negotiating Commission
5 shall—

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

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

22 (3) endeavor to complete the Articles of Free
23 Association not later than 2 years after the com-
24 mencement of the constitutional Convention.

1 (e) COLLABORATION.—The Government of the terri-
2 tory of Puerto Rico and the agencies of the Government
3 of the United States shall collaborate with the Bilateral
4 Negotiating Commission to provide for the orderly trans-
5 fer of the functions of government as required by the Arti-
6 cles of Free Association.

7 **SEC. 211. ARTICLES OF FREE ASSOCIATION APPROVAL AND**
8 **EFFECTIVE DATE.**

9 (a) APPROVAL.—The Articles of Free Association
10 shall come into effect upon mutual agreement between the
11 Government of the United States and the Government of
12 Puerto Rico after completion of approval by—

13 (1) a separate ratification vote on the Articles
14 by the eligible voters in the special election held
15 under section 203; and

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

18 (b) REJECTION.—If the special election under sub-
19 section (a)(1) results in rejection of the Articles of Free
20 Association, the process provided for in section 210 and
21 subsection (a) shall be repeated.

22 **SEC. 212. TERMINATION.**

23 The Articles of Free Association between the United
24 States and Puerto Rico may be terminated at will by ei-
25 ther party at any time.

1 **SEC. 213. INDIVIDUAL RIGHTS TO ECONOMIC BENEFITS**
2 **AND GRANTS.**

3 (a) **RIGHTS AND BENEFITS.**—All vested rights and
4 benefits which accrue to residents of the territory of Puer-
5 to Rico under the laws of the United States from past
6 services or contributions, such as rights and benefits for
7 veterans or relatives of veterans of the Armed Forces of
8 the United States, retired Government employees, or bene-
9 ficiaries of old age, disability, or survivors' insurance bene-
10 fits under the Social Security Act, shall not be interrupted
11 after the proclamation of international sovereignty
12 through free association but will continue until such time
13 as said rights and benefits are completely extinguished ac-
14 cording to the applicable laws of the United States. All
15 services which must be rendered as part of these rights
16 and benefits shall be made available through the Govern-
17 ment of the nation of Puerto Rico in accordance with
18 agreements reached by the two nations.

19 (b) **SOCIAL SECURITY SYSTEM.**—Notwithstanding
20 subsection (a), all contributions made by employees and
21 employers in Puerto Rico to the Social Security system
22 with respect to persons who, upon the proclamation of
23 international sovereignty through free association, are
24 residents of the nation of Puerto Rico and are not yet eli-
25 gible for old age, disability, or survivors' insurance bene-
26 fits under the system, shall be transferred to the Govern-

1 ment of the nation of Puerto Rico once said Government
2 establishes its own social security system. The Govern-
3 ment of the nation of Puerto Rico may not use these funds
4 for any purpose other than the establishment and oper-
5 ation of a social security system. Upon the transfer de-
6 scribed herein, the obligations of the United States Gov-
7 ernment under the Social Security Act with respect to
8 such residents of the nation of Puerto Rico shall cease.

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

15 (1) during the 10 fiscal years following the
16 proclamation of international sovereignty through
17 free association, the annual block grants shall
18 amount to the annual aggregate funding of all pro-
19 grams which currently extend to the territory of
20 Puerto Rico, or of all programs which shall have
21 been extended to the territory of Puerto Rico during
22 the fiscal year immediately prior to the proclamation
23 of international sovereignty through free association,
24 whichever shall be greater; and

1 (2) the annual block grants shall decrease
2 thereafter on a straight-line basis, at the rate of ten
3 percent each year, beginning on the eleventh fiscal
4 year after the proclamation of international sov-
5 ereignty through free association. At any time dur-
6 ing the aforementioned transition period the terms
7 of this subsection may be modified by agreement be-
8 tween the United States and the nation of Puerto
9 Rico.

10 (d) REVISION.—The terms and conditions of this
11 subsection may be revised as part of an agreement under
12 the Articles of Free Association.

13 **TITLE III—TRANSITION AND IM-**
14 **PLEMENTATION — STATE-**
15 **HOOD**

16 **SEC. 301. PRESIDENTIAL PROCLAMATION; ADMISSION INTO**
17 **THE UNION.**

18 If a plebiscite held under this Act results in a major-
19 ity vote for statehood:

20 (1) PRESIDENTIAL PROCLAMATION; DATE OF
21 ADMISSION.—Upon receipt of the Elections Commis-
22 sion’s certification of the plebiscite results pursuant
23 to section 5(d), the President shall issue a proclama-
24 tion declaring the date that Puerto Rico is admitted
25 as a State of the Union on an equal footing with all

1 other States, which shall be a date not later than
2 one year after the effective date of the plebiscite re-
3 sults.

4 (2) SUBMISSION OF PROCLAMATION.—The
5 President shall cause such proclamation to be sub-
6 mitted to the Governor of Puerto Rico, the legisla-
7 ture of Puerto Rico, the President pro tempore of
8 the United States Senate, the Speaker of the United
9 States House of Representatives, the Senate Com-
10 mittee on Energy and Natural Resources, and the
11 House Committee on Natural Resources.

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

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

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

2 (a) REVIEW.—Not later than 30 days after the cer-
3 tification of a plebiscite result under this Act in favor of
4 statehood, the President shall initiate a review of Federal
5 law with respect to Puerto Rico, including those regard-
6 ing—

- 7 (1) taxation of persons and businesses;
8 (2) health care;
9 (3) housing;
10 (4) transportation;
11 (5) education; and
12 (6) entitlement programs.

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

19 **SEC. 303. TERRITORY AND BOUNDARIES.**

20 The State of Puerto Rico shall consist of all of the
21 islands, together with their appurtenant reefs, seafloor,
22 submerged lands, and territorial waters in the seaward
23 boundary, presently under the jurisdiction of the territory
24 of Puerto Rico.

1 **SEC. 304. CONSTITUTION.**

2 (a) IN GENERAL.—The Constitution of the territory
3 of Puerto Rico, as approved by Public Law 82–447 and
4 subsequently amended as of the date of enactment of this
5 Act is hereby found to be republican in form and in con-
6 formity with the Constitution of the United States and
7 the principles of the Declaration of Independence, and is
8 hereby accepted, ratified, and confirmed as the Constitu-
9 tion of the State of Puerto Rico.

10 (b) FUTURE CONSTITUTIONS.—The Constitution of
11 the State of Puerto Rico—

12 (1) shall always be republican in form; and

13 (2) shall not be repugnant to the Constitution
14 of the United States and the principles of the Dec-
15 laration of Independence.

16 **SEC. 305. ELECTIONS OF SENATORS AND REPRESENTA-**
17 **TIVES, CERTIFICATION, AND LEGAL DIS-**
18 **PUTES.**

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

1 (b) RESIDENT COMMISSIONER.—The office of Resi-
2 dent Commissioner of Puerto Rico shall cease to exist
3 upon the swearing in of the first Representative from the
4 State of Puerto Rico to the House of Representatives.

5 (c) SENATORS AND REPRESENTATIVES.—

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

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

22 (3) FIRST ELECTION OF REPRESENTATIVES.—
23 In the first election of Representatives, and subse-
24 quent elections until the next Census-based reappor-
25 tionment cycle, the State of Puerto Rico shall be en-

1 titled to the same number of Representatives as the
2 State whose most recent Census population was clos-
3 est to, but less than, that of Puerto Rico, and such
4 Representatives shall be in addition to the member-
5 ship of the House of Representatives as now pre-
6 scribed by law. Any such increase in the membership
7 shall not operate to either increase or decrease the
8 permanent membership of the House of Representa-
9 tives as prescribed in the Act of August 8, 1911 (37
10 Stat. 13), nor shall such temporary increase affect
11 the basis of apportionment established by the Act of
12 November 15, 1941 (55 Stat. 761), for the 83d Con-
13 gress and each Congress thereafter, unless Congress
14 acts to increase the total number of Members of the
15 House of Representatives. Thereafter, the State of
16 Puerto Rico shall be entitled to such number of Rep-
17 resentatives as provided for by applicable law based
18 on the next reapportionment. The apportionment of
19 congressional districts for the first election and sub-
20 sequent election of Representatives shall be con-
21 ducted as provided for by the Constitution and laws
22 of the State of Puerto Rico for state legislative dis-
23 tricts.

24 (d) CERTIFICATION OF RESULTS.—The Elections
25 Commission shall certify the results of primary and gen-

1 eral elections for representation in the Senate and the
2 House of Representatives of the United States to the Gov-
3 ernor. Not later than 10 days after the date of each certifi-
4 cation, the Governor shall declare the results of the pri-
5 mary and general elections, and transmit the results of
6 each election to the President of the United States, the
7 President pro tempore of the Senate, and the Speaker of
8 the House of Representatives.

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

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

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

21 (b) FEDERAL TITLE.—Any lands and other prop-
22 erties that, as of the date of admission of Puerto Rico
23 into the Union, are set aside pursuant to law for the use
24 of the United States under any—

25 (1) Act of Congress;

1 (2) Executive order;
2 (3) proclamation of the President; or
3 (4) proclamation of the Governor of the terri-
4 tory of Puerto Rico,
5 shall remain the property of the United States.

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

15 **SEC. 307. CONTINUITY OF LAWS, GOVERNMENT, AND OBLI-**
16 **GATIONS.**

17 Upon the admission of the State of Puerto Rico into
18 the Union:

19 (1) CONTINUITY OF LAWS.—All of the terri-
20 torial laws in force in Puerto Rico on the date of
21 issuance of the proclamation described in section
22 301(1) not inconsistent with this Act or the Con-
23 stitution of the State of Puerto Rico shall be and
24 continue in force and effect throughout the State,
25 until amended, modified, or repealed by the State.

1 All of the laws of the United States shall have the
2 same force and effect within the State as in the
3 other several States.

4 (2) CONTINUITY OF GOVERNMENT.—The indi-
5 viduals holding legislative, executive, and judicial of-
6 fices of Puerto Rico shall continue to discharge the
7 duties of their respective offices when Puerto Rico
8 becomes a State of the Union in, under, or by au-
9 thority of the government of the State, as provided
10 by the constitution and laws of the State.

11 (3) CONTINUITY OF OBLIGATIONS.—All con-
12 tracts, obligations, liabilities, debts, and claims of
13 the territory of Puerto Rico and its instrumentalities
14 at the moment of admission shall continue in full
15 force and effect as the contracts, obligations, liabil-
16 ities, debts, and claims of the State of Puerto Rico
17 and its instrumentalities when Puerto Rico becomes
18 a State of the Union.

19 (4) USE AND ENJOYMENT OF PROPERTY.—All
20 laws of the United States reserving to the United
21 States the free use or enjoyment of property which
22 vests in or is conveyed to the State of Puerto Rico
23 or its political subdivisions pursuant to this section
24 or reserving the right to alter, amend, or repeal laws
25 relating thereto, shall cease to be effective.

1 **SEC. 308. JUDICIAL PRONOUNCEMENTS.**

2 (a) PENDING.—No writ, action, indictment, cause, or
3 proceeding pending in any court of the territory of Puerto
4 Rico, shall abate by reason of the admission of the State
5 of Puerto Rico into the Union, but shall proceed within
6 such appropriate State courts as shall be established
7 under the Constitution of the State of Puerto Rico, or
8 shall continue in the United States District Court for the
9 District of Puerto Rico, as the nature of the case may
10 require.

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

1 Puerto Rico, shall be tried and punished by the appro-
2 priate courts of the State, and any such criminal offenses
3 as shall have been committed against the laws of the
4 United States shall be tried and punished in the United
5 States District Court for the District of Puerto Rico.

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

1 United States shall have the same jurisdiction therein, as
2 by law provided in any case arising subsequent to the ad-
3 mission of the State into the Union.

