

106TH CONGRESS
1ST SESSION

H. R. 730

To provide certain requirements for labeling textile fiber products and for duty-free and quota-free treatment of products of, and to implement minimum wage and immigration requirements in, the Northern Mariana Islands, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 11, 1999

Mr. GEORGE MILLER of California (for himself, Mr. SPRATT, Mr. RAHALL, Mr. VENTO, Mr. DEFazio, Mr. ABERCROMBIE, Mr. PALLONE, Mrs. CHRISTIAN-CHRISTENSEN, Mr. KIND, Mr. INSLEE, Mr. UDALL of Colorado, Mr. CROWLEY, Mr. BARRETT of Wisconsin, Ms. KAPTUR, Ms. DELAURO, Mr. HINCHEY, Mr. FRANK of Massachusetts, Mr. STARK, Mr. McDERMOTT, Mr. MCGOVERN, Mr. KUCINICH, Mr. OLVER, Mr. SANDERS, Mr. BROWN of Ohio, Mr. ACKERMAN, Mrs. MALONEY of New York, Mr. RUSH, Mr. WAXMAN, Mr. DELAHUNT, Mr. TIERNEY, Ms. PELOSI, Mr. MATSUI, Mr. CLAY, Mr. GREEN of Texas, Mr. KLECZKA, Mr. DINGELL, Mr. BRADY of Pennsylvania, Mr. LEWIS of Georgia, Mr. HASTINGS of Florida, Ms. SLAUGHTER, Mr. LANTOS, Mr. EVANS, Ms. WOOLSEY, Mrs. MINK of Hawaii, Mr. TRAFICANT, Mr. GEJDENSON, Mrs. CLAYTON, Ms. LEE, and Ms. MILLENDER-McDONALD) introduced the following bill; which was referred to the Committee on Resources, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To provide certain requirements for labeling textile fiber products and for duty-free and quota-free treatment of products of, and to implement minimum wage and immigration requirements in, the Northern Mariana Islands, 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 “United States-Com-
5 monwealth of the Northern Marianas Human Dignity
6 Act”.

7 **SEC. 2. FINDINGS.**

8 The Congress finds that—

9 (1) between 1955 and 1975, the people of the
10 Northern Mariana Islands, through their duly elect-
11 ed representatives, expressed on numerous occasions
12 formally and informally to the United States and to
13 the United Nations their strong desire to become a
14 part of the United States;

15 (2) in 1975 the legislature of the Northern
16 Mariana Islands unanimously endorsed the Covenant
17 to Establish a Commonwealth of the Northern Mari-
18 ana Islands in Political Union with the United
19 States of America, and the Covenant was put before
20 the voters of the Northern Mariana Islands on June
21 17, 1975, with 95 percent of eligible voters casting
22 ballots and 78.8 percent voting to approve the Cov-
23 enant;

24 (3) to allay any concerns of the Commonwealth
25 of the Northern Mariana Islands that United States

1 immigration laws would allow mass immigration into
2 the small island communities, article V of the Cov-
3 enant which established a Commonwealth of the
4 Northern Mariana Islands provided the Common-
5 wealth of the Northern Mariana Islands with a par-
6 tial exemption from the Immigration and Nationality
7 Act until the United Nations trusteeship over the Is-
8 lands ended in 1986;

9 (4) the Commonwealth of the Northern Mari-
10 ana Islands then instituted a largely unrestricted im-
11 migration policy, resulting in a population explosion
12 of over 250 percent in 15 years, so that in 1999,
13 60,000 people live in the Northern Mariana Islands,
14 including over 33,000 foreign contract workers and
15 only 27,000 United States residents;

16 (5) the Commonwealth of the Northern Mari-
17 ana Islands has used its immigration policy to re-
18 cruit a large, low-cost foreign workforce of des-
19 perately poor individuals with virtually no voice to
20 demand safe living and working conditions or better
21 wage and benefit options;

22 (6) 91 percent of all private sector jobs in the
23 Northern Mariana Islands are held by temporary
24 contract workers while 56 percent of all locally born

1 United States citizens work for the local govern-
2 ment;

3 (7) the recruitment of this large, low-cost for-
4 eign workforce has led to a consistent unemployment
5 rate of 14.2 percent among United States citizens in
6 the Northern Mariana Islands compared to 5.6 per-
7 cent in the United States as a whole;

8 (8) 35 percent of locally born United States
9 citizens live below the poverty rate, despite this high
10 poverty rate every 2.6 local households employ at
11 least 1 foreign contracted live-in maid;

12 (9) over \$1,000,000,000 worth of garments
13 made by alien contract workers using mostly foreign-
14 made fabric entered the United States in 1998,
15 quota- and duty-free, at a cost to the United States
16 treasury of \$200,000,000;

17 (10) on February 4, 1999, the Senate of the
18 Commonwealth of the Northern Mariana Islands
19 passed legislation to allow up to an additional 2,400
20 contract workers to be brought into the Northern
21 Mariana Islands;

22 (11) article V of section 503 of the Covenant
23 which established a Commonwealth of the Northern
24 Mariana Islands provided the Commonwealth of the
25 Northern Mariana Islands with a temporary exemp-

1 tion from the minimum wage provisions of the Fair
2 Labor Standards Act of 1938 in order to assist the
3 growth of the Islands' economy;

4 (12) the economy of the Northern Mariana Is-
5 lands has grown significantly and, in 1998, the gar-
6 ment industry alone sent over \$1,000,000,000 worth
7 of garments to the United States mainland; yet the
8 current minimum wage in the Northern Mariana Is-
9 lands is as low as \$3.05 per hour;

10 (13) the legislature of the Commonwealth of the
11 Northern Mariana Islands reversed a law that would
12 have provided for small, incremental increases in the
13 minimum wage in the Northern Mariana Islands
14 until that wage reached the federally mandated
15 wage;

16 (14) all workers on United States soil should be
17 paid a living wage;

18 (15) garments made in the Northern Mariana
19 Islands may carry a "Made in USA" label, deceiving
20 consumers as to the conditions under which the gar-
21 ments have been made and competing directly with
22 garments made on the United States mainland by
23 workers paid a living wage, working in a safe envi-
24 ronment;

1 (16) “sweatshop” conditions exist in the North-
2 ern Mariana Islands, where employers—

3 (A) provide unsafe and unhealthy working
4 and living environments;

5 (B) use bonded and indentured foreign la-
6 borers;

7 (C) do not pay wages required under the
8 Fair Labor Standards Act; and

9 (D) refuse to recognize the legal rights of
10 workers to form labor unions without fear of re-
11 taliation;

12 (17) the Government of the Commonwealth of
13 the Northern Mariana Islands has repeatedly re-
14 fused to raise the wage and living standards for
15 workers, or to aggressively prosecute labor and
16 human rights abuses; and

17 (18) United States Customs agents and Cus-
18 toms agents of the Commonwealth of the Northern
19 Mariana Islands are not permitted under current
20 law to open and inspect cargo containers entering
21 the Northern Mariana Islands without the owner of
22 the container present.

23 **SEC. 3. AMENDMENTS.**

24 The Joint Resolution entitled “Joint Resolution to
25 approve the ‘Covenant To Establish a Commonwealth of

1 the Northern Mariana Islands in Political Union with the
2 United States of America’, and for other purposes” ap-
3 proved March 24, 1976 (48 U.S.C. 1801 et seq.), is
4 amended—

5 (1) by adding at the end the following new sec-
6 tions:

7 **“SEC. 7. LABELING OF TEXTILE FIBER PRODUCTS.**

8 “(a) IN GENERAL.—No textile fiber product shall
9 have a stamp, tag, label, or other means of identification
10 or substitute therefor on or affixed to the product stating
11 ‘Made in USA’ or otherwise stating or implying that the
12 product was made or assembled in the United States
13 unless—

14 “(1) each individual providing direct labor in
15 production of such textile fiber product was paid a
16 wage equal to or greater than the wage set by sec-
17 tion 8;

18 “(2) the product was produced or manufactured
19 in compliance with all Federal laws relating to labor
20 rights and working conditions, including, but not
21 limited to, the National Labor Relations Act, the
22 Occupational Safety and Health Act of 1970, and
23 the Fair Labor Standards Act of 1938;

24 “(3) the factory or other business concern pro-
25 ducing or manufacturing the product, as certified by

1 the Secretary of Labor, has full-time employees in
2 nonmanagerial positions who are citizens or nation-
3 als of the United States, aliens lawfully admitted
4 into the United States for permanent residence, citi-
5 zens of Palau, the Republic of the Marshall Islands,
6 or the Federated States of Micronesia, aliens admit-
7 ted into the United States as refugees under section
8 207 of the Immigration and Nationality Act (8
9 U.S.C. 1157), or aliens granted asylum in the
10 United States under section 208 of that Act (8
11 U.S.C. 1158), in the following percentages: 25 per-
12 cent within 6 months after the date of the enact-
13 ment of this section, 50 percent within 1 year after
14 such date of enactment, and 75 percent within 18
15 months after such date of enactment; and

16 “(4) the factory or other business concern pro-
17 ducing or manufacturing the product does not em-
18 ploy individuals under conditions of indentured ser-
19 vitude.

20 “(b) RESULT OF NONCOMPLIANCE.—A textile fiber
21 product which is stamped, tagged, labeled, or otherwise
22 identified in violation of subsection (a) shall be deemed
23 to be misbranded for purposes of the Textile Fiber Prod-
24 ucts Identification Act (15 U.S.C. 70 et seq.).

1 “(c) DEFINITION.—For purposes of this section, the
 2 term ‘direct labor’ includes any work provided to prepare,
 3 assemble, process, package, or transport a textile fiber
 4 product, but does not include supervisory, management,
 5 security, or administrative work.

6 **“SEC. 8. MINIMUM WAGE.**

7 “Section 503(c) of the foregoing Covenant shall be
 8 construed and applied as if it read as follows:

9 ““(c) The minimum wage provisions of the Fair
 10 Labor Standards Act of 1938 (29 U.S.C. 201 et seq.),
 11 shall apply to the Commonwealth of the Northern Mariana
 12 Islands, except that—

13 “(1) through December 31, 1999, the mini-
 14 mum wage applicable to the Commonwealth of the
 15 Northern Mariana Islands shall be \$3.55 per hour;

16 “(2) on January 1, 2000, and on July 1 and
 17 January 1 of each year thereafter, the minimum
 18 wage applicable to the Commonwealth of the North-
 19 ern Mariana Islands shall be \$0.50 per hour more
 20 than the minimum wage that was applicable to the
 21 Commonwealth of the Northern Mariana Islands for
 22 the preceding 6-month period until the minimum
 23 wage applicable to the Commonwealth of the North-
 24 ern Mariana Islands is equal to the minimum wage

1 rate set forth in section 6(a)(1) of the Fair Labor
2 Standards Act of 1938; and

3 ““(3) after the minimum wage applicable to the
4 Commonwealth of the Northern Mariana Islands is
5 equal to the minimum wage rate set forth in section
6 6(a)(1) of the Fair Labor Standards Act of 1938,
7 pursuant to paragraph (2), the minimum wage ap-
8 plicable to the Commonwealth of the Northern Mari-
9 ana Islands shall increase as necessary to remain
10 equal to the minimum wage rate set forth in section
11 6(a)(1) of the Fair Labor Standards Act of 1938.’

12 **“SEC. 9. CONDITIONS FOR DUTY-FREE AND QUOTA-FREE**
13 **TREATMENT.**

14 “(a) CONDITIONS.—No product of the Northern Mar-
15 iana Islands may enter the customs territory of the United
16 States duty-free or not subject to quota as the product
17 of an insular possession, unless—

18 “(1) each individual providing direct labor in
19 production of the product was paid a wage equal to
20 or greater than the wage set by section 8;

21 “(2) the product was produced or manufactured
22 in compliance with all Federal laws relating to labor
23 rights and working conditions, including, but not
24 limited to, the National Labor Relations Act, the

1 Occupational Safety and Health Act of 1970, and
2 the Fair Labor Standards Act of 1938;

3 “(3) the factory or other business concern pro-
4 ducing or manufacturing the product, as certified by
5 the Secretary of Labor, has full-time employees in
6 nonmanagerial positions who are citizens or nation-
7 als of the United States, aliens lawfully admitted
8 into the United States for permanent residence, citi-
9 zens of Palau, the Republic of the Marshall Islands,
10 or the Federated States of Micronesia, persons ad-
11 mitted into the United States under section 207 of
12 the Immigration and Nationality Act (8 U.S.C.
13 1157), or aliens granted asylum in the United States
14 under section 208 of that Act (8 U.S.C. 1158), in
15 the following percentages: 25 percent within 6
16 months after the date of the enactment of this sec-
17 tion, 50 percent within 1 year after such date of en-
18 actment, and 75 percent within 18 months after
19 such date of enactment;

20 “(4) the factory or other business concern pro-
21 ducing or manufacturing the product does not em-
22 ploy individuals under conditions of indentured ser-
23 vitude; and

1 “(5) the Commissioner of Customs has certified
2 that the Commonwealth of the Northern Mariana Is-
3 lands is taking adequate measures—

4 “(A) to prevent unlawful transshipment of
5 goods that is carried out by rerouting, false
6 declaration concerning country or place of ori-
7 gin, falsification of documents, evasion of
8 United States rules of origin, or any other
9 means; and

10 “(B) to prevent being used as a transit
11 point for the shipment of goods in violation of
12 the Agreement on Textiles and Clothing re-
13 ferred to in section 101(d)(4) of the Uruguay
14 Round Agreements Act or any other applicable
15 trade agreement.

16 “(b) PENALTIES AGAINST EXPORTERS.—If the
17 President determines, based on sufficient evidence, that
18 an exporter has willfully falsified information regarding
19 the country of origin, manufacture, processing, or assem-
20 bly of a product of the Northern Mariana Islands for
21 which duty-free or quota-free treatment is claimed, then
22 the President shall deny to such exporter, and any succes-
23 sors of such exporter, for a period of 2 years, duty-free
24 and quota-free treatment for such product.

1 “(c) DEFINITION.—For purposes of this section, the
 2 term ‘direct labor’ includes any work provided to prepare,
 3 assemble, process, package, or transport a product, but
 4 does not include supervisory, management, security, or ad-
 5 ministrative work.”; and

6 (2) by adding after the new sections added by
 7 paragraph (1), the following new section:

8 **“SEC. 10. APPLICABILITY OF IMMIGRATION LAWS.**

9 “Section 506 of the foregoing Covenant shall be con-
 10 strued and applied as if it included at the end the follow-
 11 ing subsection:

12 ““(e)(1) Subject to paragraphs (2) and (3), the provi-
 13 sions of the Immigration and Nationality Act shall apply
 14 to the Northern Mariana Islands as if the Northern Mari-
 15 ana Islands were a State (as defined in section 101(a)(36)
 16 of such Act), and a part of the United States (as defined
 17 in section 101(a)(38) of such Act). Such Act shall super-
 18 sede and replace all laws, provisions, or programs of the
 19 Commonwealth of the Northern Mariana Islands relating
 20 to the admission and removal of aliens from the Northern
 21 Mariana Islands.

22 ““(2)(A) Notwithstanding paragraph (1) and subject
 23 to subparagraph (C), if the Secretary of Labor, upon re-
 24 ceipt of a joint recommendation of the Governor and Leg-
 25 islature of the Commonwealth of the Northern Mariana

1 Islands, finds that exceptional circumstances exist with re-
2 spect to the inability of employers in the Northern Mari-
3 ana Islands to obtain sufficient work-authorized labor, the
4 Attorney General may establish a specific number of em-
5 ployment-based immigrant visas to be made available dur-
6 ing the following fiscal year under this paragraph and sec-
7 tion 203(b) of the Immigration and Nationality Act.

8 “(B) Upon notification by the Attorney General that
9 a number has been established pursuant to subparagraph
10 (A), the Secretary of State may allocate up to that number
11 of visas without regard to the numerical limitations set
12 forth in sections 202 and 203(b)(3)(B) of the Immigration
13 and Nationality Act. Visa numbers allocated under this
14 subparagraph shall be allocated first from the number of
15 visas available under section 203(b)(3) of the Immigration
16 and Nationality Act, or, if such visa numbers are not avail-
17 able, from the number of visas available under section
18 203(b)(5) of such Act.

19 “(C) The authority of the Attorney General and the
20 Secretary of State under subparagraphs (A) and (B) shall
21 expire at the end of the 4th fiscal year following the first
22 fiscal year for which the Attorney General establishes a
23 number pursuant to subparagraph (A).

24 “(D) Persons granted employment-based immigrant
25 visas under this paragraph may be admitted initially at

1 a port-of-entry in the Northern Mariana Islands, or at a
2 port-of-entry in Guam, for the purpose of immigrating to
3 the Northern Mariana Islands, as lawful permanent resi-
4 dents of the United States.

5 ““(E) Any immigrant visa issued pursuant to this
6 paragraph shall be valid only for application for initial ad-
7 mission to the Northern Mariana Islands. The admission
8 of any alien pursuant to such an immigrant visa shall be
9 an admission for lawful permanent residence and employ-
10 ment only in the Northern Mariana Islands during the
11 first 3 years after such admission. Such admission shall
12 not authorize permanent residence or employment in any
13 other part of the United States during such 3-year period.
14 An alien admitted for permanent residence pursuant to
15 this paragraph shall be issued appropriate documentation
16 identifying the person as having been admitted pursuant
17 to the terms and conditions of this paragraph, and shall
18 be required to comply with a system for the registration
19 and reporting of aliens admitted for permanent residence
20 under this subsection, to be established by the Attorney
21 General under chapter 7 of title II of the Immigration and
22 Nationality Act.

23 ““(F) Nothing in this paragraph shall preclude an
24 alien who has obtained lawful permanent resident status
25 pursuant to this paragraph from applying, if otherwise eli-

1 gible under this section and under the Immigration and
2 Nationality Act, for an immigrant visa or admission as
3 a lawful permanent resident under the Immigration and
4 Nationality Act.

5 “(G) Any alien admitted under this paragraph, who
6 violates the provisions of this paragraph, or who is found
7 removable or inadmissible under section 237(a) of the Im-
8 migration and Nationality Act, or paragraphs (1), (2), (3),
9 (4)(A), (4)(B), (6), (7), (8), or (9) of section 212(a) of
10 such Act, shall be removed pursuant to chapter 4 of title
11 II of such Act.

12 “(H) The Attorney General may establish by regula-
13 tion a procedure by which an alien who has obtained law-
14 ful permanent resident status pursuant to this paragraph
15 may apply for a waiver of the limitations on the terms
16 and conditions of such status. The Attorney General may
17 grant the application for waiver, in the discretion of the
18 Attorney General, if: (1) the alien is not in removal pro-
19 ceedings, (2) the alien has been a person of good moral
20 character for the preceding 5 years, (3) the alien has not
21 violated the terms and conditions of the alien’s permanent
22 resident status, and (4) the alien would suffer exceptional
23 and extremely unusual hardship were such terms and con-
24 ditions not waived.

1 “(I) The limitations on the terms and conditions of
2 an alien’s permanent residence set forth in this paragraph
3 shall expire at the end of 3 years after the alien’s admis-
4 sion to the Northern Mariana Islands as a permanent resi-
5 dent and the alien is thereafter fully subject to the provi-
6 sions of the Immigration and Nationality Act. Following
7 the expiration of such limitations, the permanent resident
8 alien may engage in any lawful activity, including employ-
9 ment, anywhere in the United States.

10 “(3)(A) Except as provided in subparagraph (B),
11 paragraphs (1) and (2) shall take effect after the expira-
12 tion of the 3-month period beginning on the date of the
13 enactment of the United States-Commonwealth of the
14 Northern Marianas Human Dignity Act.

15 “(B) With respect to an alien who, as of the last
16 day of the 3-month period beginning on the date of the
17 enactment of the United States-Commonwealth of the
18 Northern Marianas Human Dignity Act, is authorized by
19 the Government of the Northern Mariana Islands (pursu-
20 ant to the immigration laws of the Commonwealth of the
21 Northern Mariana Islands) to enter into and remain tem-
22 porarily in the Northern Mariana Islands in order to per-
23 form temporary service or labor in the Northern Mariana
24 Islands (and any relatives of the alien if, authorized to
25 accompany or follow to join the alien), paragraphs (1) and

1 (2) shall apply to the alien beginning after the earlier of
 2 the following dates:

3 “(i) The date on which such authorization ex-
 4 pires (such authorization not being subject to exten-
 5 sion or renewal by the Government of the Northern
 6 Mariana Islands after the expiration of the 3-month
 7 period beginning on the date of the enactment of the
 8 United States-Commonwealth of the Northern Mari-
 9 anas Human Dignity Act).

10 “(ii) The date that is 2 years after the date of
 11 the enactment of the United States-Commonwealth
 12 of the Northern Marianas Human Dignity Act.

13 “(4) When deploying personnel to enforce the provi-
 14 sions of this section, the Attorney General shall coordinate
 15 with, and act in conjunction with, State and local law en-
 16 forcement agencies to ensure that such deployment does
 17 not degrade or compromise the law enforcement capabili-
 18 ties and functions currently performed by immigration of-
 19 ficers.’”.

20 **SEC. 4. AUTHORITY OF CUSTOMS SERVICE TO BOARD**
 21 **SHIPS.**

22 Section 467 of the Tariff Act of 1930 (19 U.S.C.
 23 1467) is amended by striking “or the Virgin Islands,”
 24 each place it appears and inserting “, the Virgin Islands,
 25 or the Commonwealth of the Northern Mariana Islands,”.

1 **SEC. 5. STUDY; REPORT.**

2 (a) STUDY.—A study shall be conducted of the extent
3 of human rights violations and labor rights violations in
4 the Northern Mariana Islands, including the use of forced
5 or indentured labor, and any efforts being taken by the
6 Government of the United States or the Government of
7 the Northern Mariana Islands to address or prohibit such
8 violations.

9 (b) REPORT.—Not later than 1 year after the date
10 of the enactment of this Act, the Secretary of the Interior
11 shall transmit to the Committee on Resources of the
12 House of Representatives and the Committee on Energy
13 and Natural Resources of the Senate a report on the re-
14 sults of the study required by subsection (a).

15 (c) CONSULTATION.—Appropriate local government
16 officials, law enforcement agencies, and nongovernmental
17 organizations active in instituting and protecting human
18 and labor rights may be consulted when conducting the
19 study and preparing the report required by this section.

20 **SEC. 6. EFFECT ON OTHER LAW.**

21 The provisions of the amendments made by para-
22 graph (1) of section 3 shall be in addition to, but shall
23 not otherwise modify, the requirements of the Textile
24 Fiber Products Identification Act (15 U.S.C. 70 et seq.).

1 **SEC. 7. EFFECTIVE DATES.**

2 (a) IN GENERAL.—Except as provided in subsection
3 (b), the amendments made by this Act shall take effect
4 30 days after the date of the enactment of this Act.

5 (b) IMMIGRATION.—

6 (1) IN GENERAL.—The amendment made by
7 paragraph (2) of section 3 shall take effect after the
8 expiration of the 3-month period beginning on the
9 date of the enactment of this Act.

10 (2) EXCEPTION.—With respect to an alien who,
11 as of the last day of the 3-month period beginning
12 on the date of the enactment of this Act, is author-
13 ized by the Government of the Northern Mariana Is-
14 lands (pursuant to the immigration laws of the Com-
15 monwealth of the Northern Mariana Islands) to
16 enter into and remain temporarily in the Northern
17 Mariana Islands in order to perform temporary serv-
18 ice or labor in the Northern Mariana Islands (and
19 any relatives of the alien if, authorized to accompany
20 or follow to join the alien), such amendment shall
21 apply to the alien beginning after the earlier of the
22 following dates:

23 (A) The date on which such authorization
24 expires (such authorization not being subject to
25 extension or renewal by the Government of the
26 Northern Mariana Islands after the expiration

1 of the 3-month period beginning on the date of
2 the enactment of this Act).

3 (B) The date that is 2 years after the date
4 of the enactment of this Act.

5 **SEC. 8. AUTHORIZATION OF APPROPRIATIONS.**

6 There are authorized to be appropriated such sums
7 as may be necessary to carry out the provisions of this
8 Act.

○