

86TH CONGRESS  
1ST SESSION

# H. R. 9234

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 12, 1959

MR. FERNÓS-ISERN introduced the following bill; which was referred to the Committee on Interior and Insular Affairs

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## A BILL

To provide for amendments to the compact between the people of Puerto Rico and the United States.

Whereas under the terms of Public Law 600, Eighty-first Congress, the Congress of the United States and the people of Puerto Rico entered into a compact which, fully recognizing the principle of government by consent, provided for the organization of a government by the people of Puerto Rico pursuant to a constitution of their own adoption, and which specified in the Puerto Rican Federal Relations Act the terms of their association with the United States; and

Whereas the people of Puerto Rico, on July 25, 1952, created the Commonwealth of Puerto Rico within the terms of said compact, pursuant to a constitution of their own adoption, which constitution was approved by the Congress in Public Law 447, Eighty-second Congress; and

Whereas, pursuant to the terms of said compact, the Commonwealth of Puerto Rico is associated with the Federal Union on the basis of common citizenship, common defense and foreign affairs, a common market, a common currency, and a common dedication to the fundamental principles of democracy incorporated in the Constitution of the United States and safeguarded by the Federal as well as the local judicial system; and

Whereas the Legislative Assembly of the Commonwealth of Puerto Rico has proposed amendments to the compact, subject to ratification by the people of Puerto Rico, in order to eliminate therefrom certain inappropriate provisions and to clarify, develop, and perfect its terms so as better to achieve fulfillment of its purposes: Therefore

1       *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*  
3 That the compact between the United States and the people  
4 of Puerto Rico is hereby amended by deleting section 4 of  
5 Public Law 600, Eighty-first Congress, and by substituting  
6 in lieu thereof the following language:

7       “SEC. 4. The relationships of the Commonwealth of  
8 Puerto Rico with the United States shall be subject to the  
9 following provisions, which shall be known and cited as  
10 the ‘Articles of Permanent Association of the Common-  
11 wealth of Puerto Rico with the United States.’

## 1 "ARTICLE I

2 "The Commonwealth of Puerto Rico comprises the  
3 island of that name and its waters and all the islands and  
4 waters of these islands in the West Indies, adjacent to the  
5 island of Puerto Rico, lying east of the 74th Meridian of  
6 longitude west of Greenwich, which are referred to in  
7 Article II of the treaty between the United States and the  
8 Kingdom of Spain, entered into on the 10th day of  
9 December, 1898.

## 10 "ARTICLE II

11 "(a) The rights, privileges and immunities of citizens  
12 of the United States shall be respected in Puerto Rico to  
13 the same extent as if the Commonwealth of Puerto Rico were  
14 a State of the Union and subject to the provisions of the  
15 second sentence of Section 1 of Amendment XIV of the  
16 Constitution of the United States, and the rights, privileges  
17 and immunities of citizens of the several states shall be re-  
18 spected in Puerto Rico to the same extent as if the Com-  
19 monwealth of Puerto Rico were a State of the Union and  
20 subject to the provisions of paragraph 1 of Section 2 of  
21 Article IV of the Constitution of the United States.

22 "(b) Full faith and credit shall be given in the Com-  
23 monwealth of Puerto Rico to the public acts, records, and  
24 judicial proceedings of the several States of the Union, the  
25 District of Columbia, and the Territories and Possessions of

1 the United States, and full faith and credit shall be given in  
2 each State, the District of Columbia, and the Territories and  
3 Possessions of the United States, to the public acts, records,  
4 and judicial proceedings of the Commonwealth of Puerto  
5 Rico. The laws of Congress prescribing the manner in which  
6 such acts, records, and proceedings shall be proved, and the  
7 effect thereof, applicable to the States of the Union, shall be  
8 applicable in the case of the Commonwealth of Puerto Rico.

9 “(c) A person charged in any State, Territory or Pos-  
10 session of the United States, or the District of Columbia,  
11 with treason, felony or other crime, who shall flee from jus-  
12 tice and be found in Puerto Rico shall, on demand of the  
13 executive authority of the State, Territory or Possession, or  
14 the District of Columbia, from which he fled, be delivered  
15 up to be removed to the State, Territory or Possession, or  
16 the District of Columbia, having jurisdiction of the crime,  
17 and a person charged in the Commonwealth of Puerto Rico  
18 with treason, felony or other crime, who shall flee from jus-  
19 tice and be found in a State, Territory or Possession, or the  
20 District of Columbia, on demand of the executive authority  
21 of the Commonwealth of Puerto Rico, shall be delivered up to  
22 be removed thereto.

23

#### “ARTICLE III

24 “(a) All obligations issued by the United States, or by  
25 its authority, or by any State, Territory or Possession of the

1 United States, or by any county, municipality or other  
2 municipal subdivision of any State, Territory or Possession  
3 of the United States, or by the District of Columbia, or by  
4 the authority of any of them, shall be exempt from taxation  
5 by the Commonwealth of Puerto Rico.

6 “(b) All obligations issued by the Commonwealth of  
7 Puerto Rico, or by its authority, shall be exempt from taxa-  
8 tion by the Government of the United States, or by the  
9 Government of Puerto Rico or by any political or municipal  
10 subdivision thereof, or by any State, Territory or Possession  
11 of the United States, or by any county, municipality or  
12 other municipal subdivision of any State, Territory or  
13 Possession, or by the District of Columbia.

14 “(c) In the exercise of its power to levy internal rev-  
15 enue taxes, the Commonwealth of Puerto Rico shall make  
16 no discrimination between articles imported from the United  
17 States or foreign countries and similar articles produced or  
18 manufactured in Puerto Rico. Upon request of the Com-  
19 monwealth of Puerto Rico, the officials of the Customs and  
20 Postal Services of the United States shall assist the Common-  
21 wealth government in the collection of internal revenue  
22 taxes.

23 “(d) Articles of merchandise of Puerto Rican manu-  
24 facture coming into the United States and withdrawn for  
25 consumption or sale shall be subject to taxation in Puerto

1 Rico under the internal revenue laws of the Commonwealth  
2 of Puerto Rico at a rate not higher than the rate on like  
3 articles produced for use or consumption in Puerto Rico,  
4 and, in addition thereto, they shall be subject to payment to  
5 the United States of a compensatory tax to be covered into  
6 the Treasury of the United States in an amount equal to the  
7 difference between the internal revenue tax imposed thereon  
8 under the laws of the Commonwealth of Puerto Rico and an  
9 amount equal to the internal revenue tax imposed in the  
10 United States on like articles of domestic manufacture at the  
11 point of manufacture or production.

12 “(e) The income tax laws of the United States shall  
13 apply in Puerto Rico upon the incomes of residents of Puerto  
14 Rico derived from sources outside of Puerto Rico, including  
15 federal salaries, but income tax payments to the Common-  
16 wealth of Puerto Rico on incomes from federal salaries shall  
17 be credited against federal income tax.

18 “(f) The social security laws of the United States spe-  
19 cifically made applicable to Puerto Rico and taxes levied  
20 with respect thereto shall have full force and effect in Puerto  
21 Rico.

22 “(g) Except as provided in subsections (d), (e), and  
23 (f) of this Article, the internal revenue laws of the United  
24 States shall have no force and effect in Puerto Rico.



1 quantitative restrictions other than those that could be placed  
2 on such commerce if Puerto Rico were a State of the Union  
3 and subject to the provisions of Section 8 of Article I of the  
4 Constitution of the United States, and the tariffs, customs and  
5 duties levied, collected and paid upon all such articles shall  
6 be the same as those required by law to be collected upon  
7 articles imported into the United States from foreign coun-  
8 tries, except as modified by a trade or commercial agree-  
9 ment, or special provisions in such agreements negotiated by  
10 the President under Article IV (f), or as Congress may pro-  
11 vide at the request of the Commonwealth of Puerto Rico:  
12 *Provided, however,* That on all coffee brought into Puerto  
13 Rico, there shall be levied and collected a duty in such  
14 amount as may be fixed by the Commonwealth of Puerto  
15 Rico, any law or part of law to the contrary notwithstanding.

16 “(c) The Secretary of the Treasury of the United  
17 States shall designate the several ports and subports of  
18 entry in Puerto Rico and shall make such rules and regula-  
19 tions and incur such expenses as may be necessary to collect  
20 the duties levied, collected and paid in Puerto Rico as  
21 herein provided, and the Secretary of the Treasury or his  
22 delegate shall appoint and fix the compensation and provide  
23 for the payment of all such officers, agents and assistants  
24 as the Secretary of the Treasury or his delegate may find  
25 necessary to employ to carry out the provisions hereof.

1       *“Provided, however,* That the positions of such officers,  
2 agents and assistants as the Secretary of the Treasury may  
3 find necessary to employ to carry out these provisions shall  
4 be included in the classified Civil Service list under the  
5 Civil Service laws of the United States and the compensation  
6 thereof shall be determined in accordance with the pro-  
7 visions of such laws, except that this provision shall not  
8 affect any present incumbent.

9       “(d) The proceeds of all tariffs, customs and duties  
10 levied and collected in Puerto Rico shall be paid into the  
11 Treasury of the Commonwealth of Puerto Rico.

12       “(e) Not less than one month prior to the beginning of  
13 each fiscal year the Secretary of the Treasury of the Com-  
14 monwealth of Puerto Rico shall advance out of the funds  
15 in his custody, and upon certification to the Secretary of  
16 the Treasury of the United States or his delegate, an amount  
17 estimated by the Secretary of the Treasury of the United  
18 States or his delegate to be necessary to defray the expenses  
19 necessary to collect the duties levied, collected and paid in  
20 Puerto Rico during such fiscal year. This advance and  
21 such additional advances as the Secretary of the Treasury  
22 of the United States or his delegate may certify during a  
23 fiscal year to be necessary for such purposes shall be de-  
24 posited into the Treasury of the United States as a permanent

1 trust fund without fiscal year limitations. All expenses in-  
2 curred for the purpose of collecting the duties levied, col-  
3 lected and paid in Puerto Rico shall be payable from this  
4 fund. The Secretary of the Treasury of the United States or  
5 his delegate shall from time to time return to the Treasury  
6 of the Commonwealth of Puerto Rico such amounts as he  
7 determines are not required to defray such expenses.

8 “(f) At the request of the Commonwealth of Puerto  
9 Rico, the President of the United States may, within the  
10 limits of the President’s authority under applicable Federal  
11 law, negotiate future trade and commercial agreements, or  
12 special provisions in such agreements, applicable to Puerto  
13 Rico, and relating to commodities or articles of particular  
14 importance to the economy of Puerto Rico, and may exclude  
15 Puerto Rico from any future trade agreements.

16 “ARTICLE V

17 “(a) All citizens of Puerto Rico, as defined by Section  
18 7 of the Act of April 12, 1900, entitled ‘An Act tempo-  
19 rarily to provide revenues and a civil government for Porto  
20 Rico, and for other purposes’, and all persons born in Puerto  
21 Rico who were temporarily absent from Puerto Rico on  
22 April 11, 1899, and who thereafter returned and established  
23 a permanent residence in Puerto Rico, and who are not  
24 citizens of any foreign country, are citizens of the United  
25 States.



1 by the Government of the United States in Puerto Rico in  
2 the conduct therein of federal functions and services, nor  
3 the delegation or transfer of functions which may be made  
4 by the Government of the United States to the Common-  
5 wealth of Puerto Rico subject to such conditions as may be  
6 prescribed by law of Congress and accepted by the Com-  
7 monwealth of Puerto Rico: *Provided, however,* That in the  
8 event of such transfer or delegation, the rights and tenure  
9 of such federal employees as may be affected shall be appro-  
10 priately protected by the Commonwealth of Puerto Rico.

11 "ARTICLE VII

12 " (a) All real property within the Commonwealth of  
13 Puerto Rico acquired by the United States under Article  
14 VIII of the treaty between the United States and the King-  
15 dom of Spain entered into on the 10th day of December,  
16 1898, and not heretofore disposed of by the United States  
17 (hereinafter referred to as Crown Property), except such  
18 real property as was reserved by the United States prior to  
19 March 2, 1917, for an essential public purpose, is and shall  
20 be the property of the Commonwealth of Puerto Rico, sub-  
21 ject to the provisions of this Article.

22 " (b) The President of the United States, from time to  
23 time, notwithstanding any other provisions of law, shall trans-  
24 fer to the Commonwealth of Puerto Rico the reserved Crown  
25 Property or parts thereof as said reserved Crown Property



1 said harbor areas, waters and submerged lands by the United  
2 States or any Department or agency thereof shall not be  
3 impaired, and that the laws of the United States for the pro-  
4 tection and improvement of the navigable waters and for  
5 the preservation of the interests of navigation and commerce  
6 shall continue to apply to Puerto Rico; and, *Provided, further,*  
7 That nothing contained in this Act shall be construed so as  
8 to affect or impair in any manner the terms or conditions  
9 of any authorizations, permits or other powers heretofore  
10 lawfully transferred or exercised in or in respect of said  
11 harbor areas, waters and submerged lands by authorized  
12 officials of the United States.

13 "ARTICLE IX

14 " (a) Except as otherwise provided in Articles III and  
15 IV hereof, the Federal Government shall have and may  
16 exercise the same powers in respect of Puerto Rico that it has  
17 in respect of the several States of the Union, and any law  
18 applicable to Puerto Rico, enacted in the exercise of said  
19 powers, shall have full force and effect without the necessity  
20 of concurrence or consent by the Commonwealth of Puerto  
21 Rico. Any law respecting Puerto Rico enacted by the Con-  
22 gress in the exercise of other powers shall be applicable in  
23 respect of Puerto Rico upon its acceptance by the Common-  
24 wealth of Puerto Rico.

25 " (b) Statutory laws of the United States heretofore

1 enacted, insofar as they are consistent with this compact and  
2 are otherwise applicable, shall have force and effect in re-  
3 spect of Puerto Rico to the extent that they could be applied  
4 if Puerto Rico were a member State of the Federal Union.

5 “(c) Statutory laws of the United States hereafter en-  
6 acted shall not be deemed to be applicable with respect to  
7 the Commonwealth of Puerto Rico unless specifically made  
8 applicable by Act of Congress, by reference to Puerto Rico,  
9 or to the Commonwealth of Puerto Rico, by name.

10 “ARTICLE X

11 “All public officials of the Commonwealth, its agencies,  
12 instrumentalities and political subdivisions, before entering  
13 upon their respective duties, shall take an oath to support  
14 the Constitution of the United States and the Constitution  
15 of the Commonwealth of Puerto Rico.

16 “ARTICLE XI

17 “(a) The Commonwealth of Puerto Rico shall be repre-  
18 sented in the United States by a ‘Commissioner of Puerto  
19 Rico to the United States’ who shall be entitled to receive  
20 official recognition as the representative of the Common-  
21 wealth of Puerto Rico by all departments of the Govern-  
22 ment of the United States and shall have all the rights and  
23 privileges of a member of the House of Representatives of  
24 the Congress of the United States, except that he shall not  
25 be entitled to vote or to offer a motion to recommit. He

1 shall be an ex-officio member of such committee of the  
2 House of Representatives as may have general charge of  
3 matters concerning Puerto Rico, shall be a member of such  
4 other committees as the House may determine, and shall be  
5 entitled to receive the same salary, emoluments, allowances,  
6 facilities and services as may be provided by law for the  
7 Members of the House of Representatives.

8       “(b) The Commissioner shall be elected by the qualified  
9 electors of Puerto Rico at a general election to be held  
10 every four years under the Constitution of the Common-  
11 wealth of Puerto Rico; his term of office shall be four  
12 years from the third of January following his election and  
13 until his successor is qualified, and his election shall be  
14 certified by the Governor of Puerto Rico to the President  
15 of the United States and to the presiding officer of the  
16 House of Representatives of the Congress of the United  
17 States.

18       “(c) No person shall be eligible for election as Com-  
19 missioner who is not a citizen of the United States and of  
20 the Commonwealth of Puerto Rico, who is not more than  
21 twenty-five years of age, who does not read and write the  
22 English language and who does not meet such additional  
23 qualifications as the Constitution or laws of the Common-  
24 wealth of Puerto Rico may prescribe.



1 determine that the interests of justice so require, and if the  
2 parties consent, he may order that any trial or proceeding  
3 be conducted in the Spanish language.

4 “(c) The qualifications of jurors for proceedings in said  
5 Court shall be the same as the qualifications for jurors in the  
6 other District Courts of the United States; *Provided, how-*  
7 *ever,* that no juror shall be required to have knowledge of  
8 the Spanish language in any proceeding to be conducted in  
9 the English language, nor be required to have knowledge  
10 of the English language in any proceeding to be conducted  
11 in the Spanish language.

12 “(d) No suit for the purpose of restraining the assess-  
13 ment or collection of any tax imposed under the laws of the  
14 Commonwealth of Puerto Rico shall be maintained in the  
15 United States courts.

16 “ARTICLE XIV

17 “Final judgments or decrees rendered by the highest  
18 court of the Commonwealth of Puerto Rico in which a deci-  
19 sion could be had shall be subject to review by the Supreme  
20 Court of the United States in like manner as judgments and  
21 decrees of the courts of the several States.

22 “ARTICLE XV

23 “Nothing in these Articles of Association shall affect  
24 the validity or applicability of laws of the United States  
25 heretofore enacted by the Congress which are in conflict

1 with these Articles of Association and to which the Common-  
2 wealth of Puerto Rico has given its express consent.

3 "ARTICLE XVI

4 "At such time as the per capita income of Puerto Rico,  
5 as determined by the United States Department of Com-  
6 merce, shall equal that of any member State of the Union, the  
7 provisions contained in Articles III (d), III (e), III (g),  
8 IV (c), IV (d) and IV (e) shall be subject to termination  
9 by the Congress and at such time due consideration shall  
10 be given by the Congress to such proposals for the revision  
11 of the fiscal relationships of the Commonwealth of Puerto  
12 Rico with the United States as may then be made by the  
13 Commonwealth of Puerto Rico or to such proposals with  
14 respect to the basic terms of association between Puerto Rico  
15 and the Federal Union as may then be submitted by the  
16 people of Puerto Rico on the basis of a plebiscite held under  
17 the laws of the Commonwealth of Puerto Rico."

18 SEC. 2. The compact between the United States and  
19 the people of Puerto Rico is hereby further amended by  
20 deleting Section 5 of Public Law 600, Eighty-first Congress,  
21 and by substituting therefor the following provisions:

22 "Section 5: The following laws are hereby repealed:

23 "The Act of Congress entitled 'An Act temporarily to  
24 provide revenues and a civil government for Porto Rico,  
25 and for other purposes,' approved April 12, 1900; the Act

1 of Congress entitled 'An Act to provide a civil government  
2 for Porto Rico, and for other purposes,' approved March 2,  
3 1917, as amended, and referred to as the Puerto Rican Fed-  
4 eral Relations Act; and all laws or parts of law inconsistent  
5 with any of the provisions of this Act or of the compact;  
6 *Provided, however,* That until the Commonwealth of Puerto  
7 Rico, by amendment of its constitution, shall have adopted  
8 limitations upon its debt-incurring capacity, it shall not  
9 exceed the limitations upon its public indebtedness set forth  
10 in Section 3 of the Puerto Rican Federal Relations Act."

11       SEC. 3. This Act shall become effective when approved  
12 by a majority of the qualified voters of Puerto Rico partici-  
13 pating in a referendum to be held in accordance with the  
14 laws of the Commonwealth of Puerto Rico and upon procla-  
15 mation by the President after receipt by him of certification  
16 by the Governor of the Commonwealth of Puerto Rico of the  
17 results of such referendum.

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**A BILL**

To provide for amendments to the compact between the people of Puerto Rico and the United States.

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By Mr. FERNÓS-IESERN

SEPTEMBER 12, 1959

Referred to the Committee on Interior and Insular Affairs