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(Original Signature of Member)

115TH CONGRESS
1ST SESSION

H. R. _____

To recognize Puerto Rico's sovereign nationhood under either independence or free association and to provide for a transition process, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. GUTIÉRREZ introduced the following bill; which was referred to the
Committee on _____

A BILL

To recognize Puerto Rico's sovereign nationhood under either independence or free association and to provide for a transition process, 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. FINDINGS.**

4 Congress finds the following:

5 (1) In order to ensure the legitimate interests
6 of Puerto Rico and the United States, Congress
7 should recognize Puerto Rico as a sovereign nation.

1 (2) Consistent with article IV, section 3 of the
2 Constitution, only Congress has the power to dispose
3 of and make all needful rules and regulations re-
4 specting Puerto Rico.

5 (3) Puerto Rico's territorial condition con-
6 stitutes an unsustainable status of political subordi-
7 nation.

8 (4) Annexation of Puerto Rico as a State of the
9 Union would be detrimental to both Puerto Rico and
10 the United States.

11 (5) A majority of the voters rejected the con-
12 tinuation of territorial status in the referendum on
13 the political status of Puerto Rico held in Puerto
14 Rico on November 6, 2012.

15 (6) The people of Puerto Rico should, through
16 participation in a referendum vote on the future sta-
17 tus of Puerto Rico, choose between independence or
18 free association.

19 (7) Congress should dispose of the territory of
20 Puerto Rico, recognize its sovereign nationhood, and
21 provide for an appropriate transition process to take
22 place under independence or under a compact of free
23 association with the United States, in harmony with
24 the results of the vote expressed by the People of
25 Puerto Rico in the referendum.

1 **SEC. 2. REFERENDUM.**

2 (a) IN GENERAL.—The Legislative Assembly of
3 Puerto Rico shall provide for a referendum to take place
4 in Puerto Rico, in which eligible voters shall express their
5 preference between the non-territorial options of either
6 independence or free association, as herein provided.

7 (b) ELIGIBLE VOTERS.—An individual shall be eligi-
8 ble to vote in the referendum held under this Act if that
9 individual—

10 (1) was born in Puerto Rico; or

11 (2) has a parent who was born in Puerto Rico.

12 (c) INDEPENDENCE.—

13 (1) AUTHORIZATION TO NEGOTIATE TREATY.—

14 The President shall negotiate a Treaty of Friendship
15 and Cooperation and other bilateral agreements with
16 the government of an independent Puerto Rico that
17 will provide for equitable economic relations between
18 both nations.

19 (2) TREATY OF FRIENDSHIP AND COOPERA-
20 TION.—The Treaty of Friendship and Cooperation
21 shall establish the details of the bilateral relations of
22 Puerto Rico and the United States under the guide-
23 lines set forth below:

24 (A) CITIZENSHIP.—Puerto Ricans shall be-
25 come citizens of the Republic of Puerto Rico.
26 United States citizenship shall be guaranteed to

1 all Puerto Rican citizens who choose to retain
2 their United States citizenship after the procla-
3 mation of Puerto Rico's independence. Those
4 born thereafter may acquire non-immigrant sta-
5 tus, dual or reciprocal United States citizenship
6 as provided by law, or as otherwise agreed by
7 treaty, so that their freedom to travel to and
8 from the United States and to live and work
9 there shall not be impaired.

10 (B) VESTED RIGHTS.—Veterans benefits,
11 Federal pensions, and full Social Security
12 rights, as well as any other vested rights and
13 benefits under the laws of the United States are
14 hereby guaranteed to citizens of Puerto Rico
15 until the normal expiration of such benefits;
16 provided that all necessary agreements to pro-
17 tect the rights of workers who acquire perma-
18 nently insured status during 5 years following
19 the proclamation of Puerto Rico's independ-
20 ence, but are not yet beneficiaries under the
21 Old-Age, Survivors, and Disability Insurance
22 Benefits program under title II of the Social
23 Security Act (42 U.S.C. 401 et seq.), shall be
24 established; further provided that all contribu-
25 tions made by those who have not yet achieved

1 permanently insured status at the time of Puer-
2 to Rico's independence shall then be trans-
3 ferred, with interest, to the government of
4 Puerto Rico, in order to assist in the establish-
5 ment of a separate system of social insurance.

6 (C) TRADE.—The United States shall
7 eliminate trade barriers with Puerto Rico, pro-
8 vided that limitations on imports or exports
9 agreed upon by both nations shall ensure mu-
10 tual benefits and assist each nation in meeting
11 its trade and economic development objectives.

12 (D) PUBLIC DEBT AND ECONOMIC TRANSI-
13 TION.—As partial indemnity for more than 118
14 years of political and economic subordination,
15 during which the total payment of interest
16 earnings and dividends from Puerto Rico to
17 United States corporations have far exceeded
18 net transfers of Federal assistance to both the
19 government and the residents of Puerto Rico,
20 the United States shall enter into negotiations
21 with Puerto Rico to restructure the outstanding
22 debts and obligations of the government of the
23 Commonwealth of Puerto Rico and its instru-
24 mentalities. Moreover, during a transition pe-
25 riod, an independent Puerto Rico shall receive

1 annual transfer block grants equal to the total
2 amount of grants, programs, and services cur-
3 rently provided by the Federal government in
4 Puerto Rico, adjusted for inflation, for a period
5 to be negotiated to take place immediately fol-
6 lowing the joint proclamation of Puerto Rico's
7 independence.

8 (E) CURRENCY.—If so requested by Puer-
9 to Rico, both nations shall make the necessary
10 arrangements with respect to the use of United
11 States currency by the Republic of Puerto Rico.

12 (F) DEFENSE.—The United States and
13 the Republic of Puerto Rico shall enter into
14 agreements leading to the complete demili-
15 tarization of the Republic of Puerto Rico, and
16 the devolution and decontamination of any real
17 estate previously held by any branch of the
18 Armed Forces.

19 (d) FREE ASSOCIATION.—

20 (1) AUTHORIZATION TO NEGOTIATE COM-
21 PACT.—To provide a process consonant with the
22 laws and policies of the United States and in accord-
23 ance with principles of international law, the Presi-
24 dent shall negotiate the terms for a Compact of Free
25 Association with the government of Puerto Rico

1 which, prior to the territory's recognition and procla-
2 mation of sovereignty, shall establish the terms of
3 the association.

4 (2) COMPACT OF FREE ASSOCIATION.—The
5 Compact of Free Association between the United
6 States and Puerto Rico shall be submitted to Con-
7 gress and the People of Puerto Rico for ratification
8 under the agreed guidelines set forth below:

9 (A) PUERTO RICO AS SOVEREIGN STATE.—
10 International legal personality of Puerto Rico
11 as a sovereign state.

12 (B) SELF-GOVERNMENT.—Full self-govern-
13 ment not subject to the Constitution or laws of
14 the United States, except for those specific pow-
15 ers delegated to the United States and which
16 are subject to revocation by Puerto Rico.

17 (C) TERMINATION OF FREE ASSOCIA-
18 TION.—The right of Puerto Rico and of the
19 United States to unilaterally put an end to the
20 relationship of free association and Puerto Rico
21 becoming fully independent.

22 (D) UNITED STATES CITIZENSHIP.—The
23 continuation of United States citizenship for
24 the citizens of Puerto Rico.

1 (E) TRADE RELATIONS.—The continuation
2 of existing trade relations with the United
3 States and an agreed upon level of participation
4 by residents of Puerto Rico in Federal economic
5 and social assistance programs.