
A RESOLUTION

Expressing the dismay and concern of the FSM Congress at the recent action of the United States Treasury Department to change General Headnote 3(a) regulations which will restrict the ability of the Federated States of Micronesia to export manufactured clothing into the United States during the period of the Compact of Free Association.

1 WHEREAS, the Federated States of Micronesia has negotiated and
2 ratified an international treaty with the United States titled the Compact
3 of Free Association; and

4 WHEREAS, pursuant to article IV, section 242, the United States agreed
5 that for the purpose of assessing duties on products imported into the
6 customs territory of the United States the Federated States of Micronesia
7 would be treated as if it were an insular possession of the United States
8 within the meaning of General Headnote 3(a) of the Tariff Schedules of the
9 United States; and

10 WHEREAS, the Federated States of Micronesia, throughout its future
11 status negotiations with the United States and until today, has looked
12 upon the General Headnote 3(a) provision in the Compact of Free Association
13 as one of the major economic attractions of the Compact; and

14 WHEREAS, if the United States Treasury Department can, with only
15 minimal notice, markedly restrict the ability of the Federated States of
16 Micronesia to export manufactured clothing into the United States pursuant
17 to General Headnote 3(a), a justified fear exists that other economic
18 products and/or merchandise exported from the Federated States of
19 Micronesia into the United States might suffer similar treatment at the
20 hands of the United States Treasury Department; and

21 WHEREAS, it is the sense of the FSM Congress that economic develop-
22 ments such as this contrast rather unfavorably with the rhetoric and policy
23 of the present United States administration which seeks to encourage
24 more private sector growth and less government sector growth; and

25 WHEREAS, it is the sense of the FSM Congress that if this particular

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1 Treasury Department regulation change is permitted to go into effect it
2 could mark the beginning of successive regulation changes which would
3 result in the nullification of section 242 of the Compact of Free
4 Association; now, therefore,

5 BE IT RESOLVED by the Third Congress of the Federated States of
6 Micronesia, Third Special Session, 1984, that the Congress hereby expresses
7 its dismay and concern at the recent action of the United States Treasury,
8 Department to change General Headnote 3(a) regulations which will restrict
9 the ability of the Federated States of Micronesia to export manufactured
10 clothing into the United States during the period of the Compact of Free
11 Association; and

12 BE IT FURTHER RESOLVED that certified copies of this resolution be
13 transmitted to President Ronald Reagan, Ambassador Fred Zeder, Assistant
14 Secretary Richard Montoya, President Tosiwo Nakayama, President Haruo
15 Remeliik, President Amata Kabua, Governor Ricardo Bordallo, and Governor
16 Pedro Tenorio.

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18 Date: 8/10/84

Introduced by: 
Pedro Harris

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