

**TITLE 4: ECONOMIC RESOURCES**  
**DIVISION 1: REVENUE AND TAXATION**

**§ 1932. Definitions.**

(a) “Building safety official” means the Chief of the Building Safety Division of the Department of Public Works or his or her designee.

(b) “Director” means the Director of the Department of Finance.

(c) “Developer” means any person engaging in the creation of a new development. For the purposes of this chapter, “person” means:

(1) An individual, estate, firm, corporation, company, joint venture, association, partnership, trust, receiver, club syndicate, cooperative association or any other entity;

(2) A foreign government, the United States, the Trust Territory of the Pacific Islands or any agency or instrumentality of these entities.

(d) “New development” means the performance of any building or mining operation in, on, over, or under land, or in, on, over or under submerged land, the making of any material change in the use of any structure or land, or the division of land into two or more parcels.

(1) Without limiting this definition, the following operations or uses constitute “new development” for the purposes of this chapter:

(i) A change in the type of use of a structure or land;

(ii) An alteration of the size of a structure;

(iii) A material increase in the intensity of use of a structure or land;

(iv) Commencement of excavation on a parcel of land;

(v) Reestablishment of a use which has been abandoned for one year or more; and

(vi) Departure from the normal use for which development permission has been granted by a Commonwealth government agency.

(2) For purposes of this chapter “new development” shall not include any maintenance, alteration, or capital improvement of a public facility developed or carried out by, or on behalf of, any department or agency of the Commonwealth government.

(e) A “multi-family residential structure or development” is one which is designed to be used by three or more families.

(f) “Tax credits” means any payments made by developers toward the cost of existing or future infrastructure improvement.

(g) “Total project cost” means the aggregate sum to the developer of designing and building any new development covered by this chapter. The total project cost, at a minimum, shall consist of:

(1) All architectural, engineering, and other associated professional services, including but not limited to environmental impact assessments, hydrology studies, and soil samples that are necessary to design the project and secure all Commonwealth and federal permits as required by law or regulation;

(2) The on-site cost of all construction materials used in constructing structures, on-site roads and parking facilities, and on-site water, power, sewer, and incineration systems, if any, as defined in the engineering drawings and complete application for a building permit as submitted to the building safety official; and

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**DIVISION 1: REVENUE AND TAXATION**

- (3) The cost of all labor used in:
- (i) Site preparation;
  - (ii) Project construction;
  - (iii) Construction of on-site roads;
  - (iv) On-site water, power, sewer, or incineration facilities or systems;
  - (v) Irrigation systems;
  - (vi) Lighting systems;
  - (vii) Parking areas;
  - (viii) Grounds clearance or landscaping; and
  - (ix) Any other construction activities undertaken from the time of issuance of a building permit by the building safety official to the time of issuance of an occupancy permit by the building safety official.

For the purposes of this subsection, labor costs shall include construction management, administration, and supervision costs as well as costs of skilled and unskilled labor.

**Source:** PL 8-23, § 3, modified.

**Commission Comment:** With respect to the references to the “Director” of the Department of Finance, see Executive Order 94-3 (effective August 23, 1994), reorganizing the executive branch, changing agency names and official titles, and effecting other changes, set forth in the Commission comment to 1 CMC § 2001.