

NINTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

HOUSE BILL NO. 9-79, H.D.2,

FIRST REGULAR SESSION, 1994

S.D.1, S.S.1, C.S.1

AN ACT

To amend 4 CMC § § 1504 (a), 1506, 1507 (a) and (b), and 1508, and 6 CMC § 3156 (a) and § 3159; and for other purposes.

BE IT ENACTED BY THE NINTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE:

Section 1. Title. This Act shall be cited as "The Pachinko Slot Machine Act."

Section 2. Findings. The Legislature finds that:

(a) The majority of the tourists that come to the Northern Mariana Islands come from Japan.

(b) Throughout the Islands of Japan, pachinko slot machines are operated for amusement by the indigenous people.

(c) To provide this same entertainment to the tourists, the operation of Pachinko slot machines should be allowed on the CNMI.

(d) With the present economic condition in the Commonwealth, the revenues anticipated to be generated under existing laws and regulations will not supply adequate funds to maintain a balanced budget.

(e) The need to create additional sources of funds to be appropriated to meet the needs of the CNMI can be achieved by increasing the scope and number of amusement machines allowed to be licensed and operated in the Commonwealth, specifically by legalizing the operation of and providing for the licensing of pachinko slot machines in the Commonwealth.

(f) The legalization of these amusement machines whose major element is chance and which provide a reward or prize of value, will not be socially detrimental to the local people, because the targeted players of the machines are Japanese and Korean tourists.

Section 3. Description. The term "pachinko slot machine" as used in this Act refers to the slot machine whose outer structure has three reels with symbols to be matched by pressing three buttons to stop the rotation of the spinning reels. It is a machine that requires a degree of skill in order for the winner to win a prize.

Section 4. Amendment. 4 CMC § 1504(a) is amended by adding a new subsection (5) to

read as follows:

"(5) For pachinko slot machines or similar amusement machines, a graduated fee as follows:

(A) Calendar Year 1994 through 1996, the license fee is \$1,000 per machine.

(B) From 1997 through 1999, the license fee is \$2,000 per machine.

(C) From 2000 and thereafter, the license fee \$2,500 per machine."

Section 5. Amendment. 4 CMC § 1506(b) is amended and § 1506(c) is added as follows:

"(b) The Secretary of Finance shall reserve 90% of all revenues from the licensing of amusement machines under § 1504 (a)(2) and 50% under § 1504(a)(5) for the Northern Marianas Retirement Fund and shall promptly deposit the revenues with the Commonwealth Treasury without further appropriation.

(c) The Secretary of Finance shall deposit 50% of all revenues raised from the licensing of amusement machines under § 1504(a)(5) in a separate trust account in the General Fund to be known as the School Lunch Program Trust Fund. The revenues in such Fund shall be used as matching funds to qualify for and implement any federal school lunch program available to the Commonwealth."

Section 6. Amendment. 4 CMC § § 1507(a) and (b) are amended and a new subsection (c) is added thereto to read as follows:

"(a) A person commits a criminal offense when he places or causes to be placed into operation an unlicensed poker, pachinko slot or similar amusement machine and, upon conviction, shall be punished by a fine not to exceed \$2,000 or six months imprisonment or both.

(b) A person, including an owner, or operator of a poker, pachinko slot or similar amusement machine, a parent or a legal guardian, commits a criminal offense when he assists, encourages or allows another person who is less than 18 years old to use a poker, pachinko slot or similar amusement machine and, upon conviction, shall be punished by a fine not to exceed \$2,000 or one year imprisonment, or both.

(c) A person, including an owner or operator of a pachinko slot or similar amusement machine, not including poker machines, commits a criminal offense when he places or causes to be placed in operation more than 50 such machines at one location."

Section 7. Amendment. 4 CMC § 1508 is amended by adding a new subsections (d) as follows:

"(d) The total number of licenses to be issued under § 1504(a)(5) shall not exceed 500 for the Third Senatorial and 200 each for the First and Second Senatorial Districts."

Section 8. No Minors. A person who is less than 18 years old shall not be allowed to play under § 1504(a)(5) of this Act.

Section 9. Amendment. 6 CMC § 3156(a) is hereby amended to add a new subsection 5 to

read as follows:

"(5) The operation of pachinko slot machines."

Section 10. Amendment. 6 CMC § 3159 is hereby amended to read as follows:

"§ 3159. Criminal Penalties.

Any person who knowingly and willfully violates any provision of this Article or § 1504(a)(2) or § 1504(a)(5) of Title 4 (relating to the license fees for amusement machines) is guilty of a misdemeanor, and may be punished by a fine not more than \$2,000, or by imprisonment not exceeding one year, or by both such fine and imprisonment."

Section 10. Severability. If any section of this Act should be declared invalid by a court of competent jurisdiction, the remainder of this Act shall not be affected thereby.

Section 11. Effective Date. This Act shall take effect upon its approval by the Governor or upon its becoming law without such approval.

CERTIFIED BY:

ATTESTED BY:

/s/ Diego T. Benavente
DIEGO T. BENAVENTE
Speaker
House of Representatives

/s/ Evelyn C. Fleming
EVELYN C. FLEMING
House Clerk

Approved this 16th day of February, 1995

/s/ Froilan C. Tenorio
FROILAN C. TENORIO
Governor
Commonwealth of the Northern Mariana Islands