

NINTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

H. B. NO. 9-399

FIRST SPECIAL SESSION, 1995

AN ACT

To repeal 4 CMC, Div. 8, Article 6 Sections 8161 to 8167 and to reenact; To establish a water catchment tank loan revolving fund program, and for other purposes.

BE IT ENACTED BY THE NINTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE:

Section 1. Title. This Act shall be known as the "The Water Catchment Tank Loan Revolving Fund Program Act of 1995".

Section 2. Findings. The Legislature finds that the Division of Public Lands of the Department of Lands and Natural Resources has issued several thousand resident lots in Saipan, Tinian and Rota and that a substantial number of homeowners are still not connected to nor reached by the public water distribution lines. The Legislature also finds that a substantial number of homeowners who are connected to the public water distribution lines are still experiencing water problems resulting from pipe leaks, limited water supply and water pressure to reach residences at high level areas. Further, the Legislature finds that there are times when the water supply is interrupted because of the lack in power generation at the pump stations attributed to power outages and other inconveniences. Additionally, the Legislature finds that in order to provide the general public with water at their residences at all times, each and every household should be encourage to install a water catchment tank at their property. According to the Secretary of Finance's letter of 8/31/94 to the Legislative Assistant at CUC, relative to the \$1 million appropriations for water catchment tank and power generator systems, the funds appropriated under the Act lapsed and reverted to the General Fund. Therefore, to meet the unmet need of the community, the Legislature believes that an affordable loan revolving fund program should be developed and implemented.

Section 3. Repealer and Reenactment. 4 CMC, Div. 8, Article 6 , Sections 8161 through 8167 are hereby repealed and reenacted to read as follows:

"Section 8161. Establishment of a Water Catchment Tank Loan Revolving Fund Program. There is hereby established a Water Catchment Tank Loan Revolving Fund Program to be administered by the Commonwealth Development Authority whose duties and responsibilities shall include but are not limited to:

1. Designing and developing the loan applications form;
2. Reviewing and approving such loan applications; and

3. Promulgating Rules and Regulations to effectively and efficiently implement the intent of this Act.

Section 8162. Authorization to Fund the Water Catchment Tank Loan Revolving Fund Program. There is hereby authorized the aggregate sum of \$1 million (\$1,000,000.00) from the Commonwealth Development Authority Funds to be used exclusively for loans to qualified individuals in the purchase and installation of a residential water catchment tank and booster pump.

Section 8163. Purpose and Eligibility.

(a) Moneys disbursed under the revolving fund shall only be for residential use and specifically for the purchase and installation of a water catchment tank and booster pump.

(b) In order to qualify, the applicant shall meet the following eligibility requirements:

- (1) A U.S. Citizen or National or CNMI Citizen and is a resident of the CNMI;
- (2) Title holder of real estate on the islands of Saipan, Rota, or Tinian;
- (3) Have a residential dwelling which is the principal place of abode;
- (4) A homesteader if not a fee simple title holder;
- (5) Currently employed;
- (6) Able to demonstrate need; and
- (7) Shall have a combined household net annual income not to exceed forty thousand dollars (\$40,000.00).

Section 8164. Loan Amounts and Conditions.

A maximum amount of loan per applicant per house shall not exceed five thousand dollars (\$5,000.00) depending on the demonstrated need and the ability to pay of the applicant. An applicant shall receive not more than one loan per water catchment tank including the booster pump. Should the loan applicant rent, lease or sell the residential dwelling to a person outside of his or her immediate household or sell the water catchment tank or booster pump, the entire loan amount shall immediately become due and payable.

Section 8165. Terms of Payment and Interest Rate. The payment terms of the loan shall be for a period not to exceed four (4) years at a fixed interest rate not to exceed three percent (3%).

Section 8166. Implementation of Loan Program. The Commonwealth Development Authority shall have sixty (60) days following the effective date of this act to promulgate rules and regulations for the management and repayment of the loan program."

Section 4. Severability. If any provision of this Act or the application of any such provision to any person or circumstance should be held invalid by a court of competent jurisdiction, the remainder of this Act or the application of its provisions to persons or circumstances other than those

to which it is held invalid shall not be affected thereby.

Section 5. Savings Clause. This Act and any repealer contained herein shall not be construed as affecting any existing right acquired under contract or acquired under statutes repealed or under any rule, regulation or order adopted under the statutes. Repealers contained in this Act shall not affect any proceeding instituted under or pursuant to prior law. The enactment of this Act shall not have the effect of terminating, or in any way modifying, any liability civil or criminal, which shall already be in existence at the date this Act becomes effective.

Section 6. 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 20th day of June, 1995

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