



# COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS

**Eloy S. Inos**  
Governor

**Jude U. Hofschneider**  
Lieutenant Governor

**09 APR 2014**

Honorable Joseph P. Deleon Guerrero  
Speaker, House of Representatives  
Eighteenth Northern Marianas  
Commonwealth Legislature  
Saipan, MP 96950

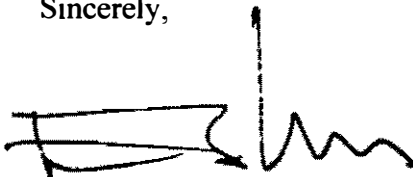
Honorable Ralph DLG. Torres  
Senate President, The Senate  
Eighteenth Northern Marianas  
Commonwealth Legislature  
Saipan, MP 96950

Dear Mr. Speaker and Mr. President:

This is to inform you that I have signed into law House Bill No. 18-170, entitled, "To amend the Commonwealth Development Authority Act of 1984 to provide for the issuance of bonds other than general obligation bonds," which was passed by the House of Representatives and the Senate of the Eighteenth Northern Marianas Commonwealth Legislature.

This bill becomes **Public Law No. 18-44**. Copies bearing my signature are forwarded for your reference.

Sincerely,



ELOY S. INOS

cc: Lt. Governor; Lt. Governor's Legal Counsel; Attorney General's Office; Press Secretary; Commonwealth Development Authority; Secretary of Finance; Special Assistant for Administration; Special Assistant for Programs and Legislative Review



# House of Representatives

18<sup>th</sup> NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

P.O. BOX 500586  
SAIPAN, MP 96950

March 10, 2014

The Honorable Eloy S. Inos  
Governor  
Commonwealth of the Northern  
Mariana Islands  
Capitol Hill  
Saipan, MP 96950

Dear Governor Inos:

I have the honor of transmitting herewith for your action **H. B. No. 18-170**, entitled: "To amend the Commonwealth Development Authority Act of 1984 to provide for the issuance of bonds other than general obligation bonds.", which was passed by the House of Representatives and the Senate of the Eighteenth Northern Marianas Commonwealth Legislature.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Linda B. Muña".

Linda B. Muña  
House Clerk

Attachment



*Eighteenth Legislature  
of the  
Commonwealth of the Northern Mariana Islands*  
**IN THE HOUSE OF REPRESENTATIVES**

**Third Regular Session**

**January 31, 2014**

Representative Mariano Taitano, of Saipan, Precinct 1 (*for himself*, Representatives Lorenzo I. DeLeon Guerrero, and Antonio P. Sablan) in an open and public meeting with an opportunity for the public to comment, introduced the following Bill:

**H. B. No. 18-170**  
**AN ACT**  
**TO AMEND THE COMMONWEALTH DEVELOPMENT  
AUTHORITY ACT OF 1984 TO PROVIDE FOR THE ISSUANCE  
OF BONDS OTHER THAN GENERAL OBLIGATION BONDS.**

The Bill was not referred to a House Committee; was placed on the Bill Calendar on January 31, 2014.

**THE BILL WAS PASSED BY THE HOUSE OF REPRESENTATIVES ON  
FIRST AND FINAL READING, FEBRUARY 6, 2014;**  
*without amendments* and transmitted to the  
**THE SENATE.**

The Bill was not referred to a Senate Committee.  
**THE BILL WAS PASSED BY THE SENATE ON FIRST AND FINAL READING, MARCH 4, 2014;**  
*without amendments* and returned to  
**THE HOUSE OF REPRESENTATIVES.**

**THE BILL WAS FINALLY PASSED ON FEBRUARY 6, 2014.**

A handwritten signature in black ink, appearing to be "L. Muña", written over a horizontal line.

**Linda B. Muña, House Clerk**



*Eighteenth Legislature  
of the  
Commonwealth of the Northern Mariana Islands*  
**IN THE HOUSE OF REPRESENTATIVES**

Third Day, Third Regular Session

February 6, 2014

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**H. B. 18-170**

AN ACT

**TO AMEND THE COMMONWEALTH DEVELOPMENT AUTHORITY ACT OF  
1984 TO PROVIDE FOR THE ISSUANCE OF BONDS OTHER THAN  
GENERAL OBLIGATION BONDS.**

Be it enacted by the Eighteenth Northern Marianas Commonwealth  
Legislature:

1           Section 1. Findings and Purpose. The CNMI Legislature finds that is necessary to  
2 amend the Commonwealth Development Authority Act to provide for the issuance of other  
3 than general obligation bonds.

4           Section 2. Amendment.

5           (a) 4 CMC § 10460(b) (1) is hereby amended to read as follows:

6                   “(b) (1) The act of the legislature authorizing the issuance of bonds may  
7 authorize the Authority, for and in the name and on behalf of the Commonwealth, to  
8 pledge specified revenues of the Commonwealth as additional security for such  
9 bonds, including fuel taxes and vehicle license and registration fees, judicial building  
10 fund revenues, alcohol and cigarette taxes, hotel occupancy and other transient

**HOUSE BILL 18-170**

1 accommodations taxes, container taxes, water, power, sewer and refuse taxes and  
2 revenues, federal financial assistance payments, and any other revenues authorized in  
3 the act of the legislature authorizing issuance of such bonds. In the case any such  
4 additional security is pledged to bonds, the Authority may provide for, in which case  
5 the Secretary of the Department of Finance shall, transfer to and deposit in a special  
6 trust account the pledged revenues promptly upon receipt until the balance in said  
7 special trust account is at least equal to the debt service due or to become due on such  
8 bonds during the next succeeding six months (or as otherwise provided in the act of  
9 the legislature authorizing the issuance of such bonds). If provided in the Act of the  
10 legislature authorizing the issuance of the bonds and also authorizing the pledge of  
11 specified revenues, in addition to pledging those specified revenues as aforesaid in  
12 this subsection, the Authority may elect in its resolution authorizing issuance of the  
13 bonds that the bonds be secured solely by the specified revenues so pledged without  
14 the benefit of the full faith and credit pledge, or the first charge on the General Fund,  
15 of the Commonwealth, notwithstanding anything to the contrary contained in  
16 subsection (a) of this section or elsewhere in this article. All other provisions of this  
17 article shall apply, except that the word "additional" in subsection (b) (4) of this  
18 section and the words "general obligation" in sections 10451(b), 10452, 10465, and  
19 10466 shall not apply; and section (c) of this section and sections 10461 and 10465  
20 shall be subject to the immediately preceding sentence."

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**HOUSE BILL 18-170**

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1 (b) 4 CMC § 10460 (c) is hereby amended to read as follows:

2 “(c) The Commonwealth, to the fullest extent permitted by its Constitution,  
3 waives sovereign immunity and authorizes the holder of any bond to sue the  
4 Commonwealth for payment of principal of and interest on such bond with any  
5 moneys in the General Fund of the Commonwealth otherwise available therefor (or  
6 any specific revenues pledged therefor as additional security) and, if such moneys are  
7 insufficient, to compel the Commonwealth to raise funds sufficient therefor by any  
8 means not prohibited by the Constitution of the Commonwealth; or, in the case of  
9 bonds issued pursuant to an election by the Authority under subsection (b) (1) of this  
10 section that the bonds be secured solely by a pledge of specified revenues, waives  
11 sovereign immunity and authorized the holder of any such bond to sue the  
12 Commonwealth for payment of principal of and interest on such bond with any such  
13 specified revenues so pledged.”

14 **Section 3. Severability.** If any provisions of this Act or the application of any such  
15 provision to any person or circumstance should be held invalid by a court of competent  
16 jurisdiction, the remainder of this Act or the application of its provisions to persons or  
17 circumstances other than those to which it is held invalid shall not be affected thereby.

18 **Section 4. Savings Clause.** This Act and any repealer contained herein shall not be  
19 construed as affecting any existing right acquired under contract or acquired under statutes  
20 repealed or under any rule, regulation, or order adopted under the statutes. Repealers  
21 contained in this Act shall not affect any proceeding instituted under or pursuant to prior law.  
22 The enactment of the Act shall not have the effect of terminating, or in any way modifying,

**HOUSE BILL 18-170**

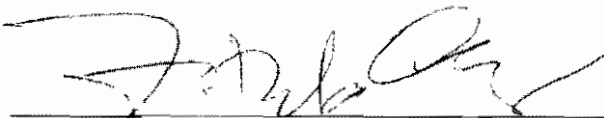
1 any liability, civil or criminal, which shall already be in existence on the date this Act  
2 becomes effective.

3 **Section 5. Effective Date.** This Act shall take effect upon its approval by the  
4 Governor, or its becoming law without such approval.


Attested to by:

  
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**Linda B. Muña, House Clerk**

Certified by:

  
\_\_\_\_\_  
**ACTING SPEAKER FRANCISCO S. DELA CRUZ**  
House of Representatives  
18<sup>th</sup> Northern Marianas Commonwealth Legislature

~~Approved~~ this 9<sup>TH</sup> day of April, 2014

  
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**ELOY S. INOS**  
Governor  
Commonwealth of the Northern Mariana Islands