



RALPH DLG. TORRES
Governor

VICTOR B. HOCOG
Lieutenant Governor

COMMONWEALTH of the NORTHERN MARIANA ISLANDS
OFFICE OF THE GOVERNOR

15 DEC 2017

The Honorable Rafael S. Demapan
Speaker, House of Representatives
Twentieth Northern Marianas
Commonwealth Legislature
Saipan, MP 96950

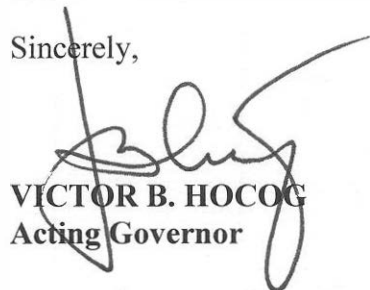
The Honorable Arnold I. Palacios
Senate President, The Senate
Twentieth Northern Marianas
Commonwealth Legislature
Saipan, MP 96950

Dear Mr. Speaker and Mr. President:

This is to inform you that I have signed into law House Bill No. 20-129, HD1, HS1, SD1, entitled, "To amend 4 CMC §2308 to address concerns of the Settlement Fund Trustee and reserve funds generated from the Casino Gross Revenue Tax.", which was passed by the House of Representatives and the Senate of the Twentieth Northern Marianas Commonwealth Legislature.

This bill becomes **Public Law No. 20-34**. Copies bearing my signature are forwarded for your reference.

Sincerely,


VICTOR B. HOCOG
Acting Governor

cc: Governor; Press Secretary; Attorney General's Office; Secretary, Department of Finance; Commonwealth Healthcare Corporation; Medical Referral Program; Public School System; Northern Marianas College; Northern Marianas Trades Institute; Public Auditor; Special Assistant for Administration; Special Assistant for Programs and Legislative Review



House of Representatives

20th NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

P.O. BOX 500586
SAIPAN, MP 96950

December 15, 2017

The Honorable Ralph DLG. Torres
Governor
Commonwealth of the Northern
Mariana Islands
Capitol Hill
Saipan, MP 96950

Dear Governor Torres:

I have the honor of transmitting herewith for your action **H. B. No. 20-129, HD1, HS1, SD1**, entitled: "To amend 4 CMC §2308 to address concerns of the Settlement Fund Trustee and reserve funds generated from the Casino Gross Revenue Tax.", which was passed by the House of Representatives and the Senate of the Twentieth Northern Marianas Commonwealth Legislature.

Sincerely yours,



Linda B. Muña
House Clerk

Attachment



*Twentieth Legislature
of the
Commonwealth of the Northern Mariana Islands*

IN THE HOUSE OF REPRESENTATIVES

Second Regular Session

October 11, 2017

REPRESENTATIVE FRANCISCO S. DELA CRUZ of Saipan, Precinct 3 (*for himself*.) in an open and public meeting with an opportunity for the public to comment, introduced the following Bill:

H. B. No. 20-129, HD1, HS1, SD1

AN ACT

TO AMEND 4 CMC §2308 TO ADDRESS CONCERNS OF THE SETTLEMENT FUND TRUSTEE AND RESERVE FUNDS GENERATED FROM THE CASINO GROSS REVENUE TAX.

The Bill was referred to the House Committee on Public Utilities and Communications, which submitted Standing Committee Report No. 20-88; adopted 11/21/17.

**THE BILL WAS PASSED BY THE HOUSE OF REPRESENTATIVES ON
FIRST AND FINAL READING, NOVEMBER 29, 2017;**
with amendments in the form of H. B. No. 20-129, HD1, HS1 and transmitted to the
THE SENATE.

The Bill was referred to the Senate Committee on Fiscal Affairs.
THE BILL WAS PASSED BY THE SENATE ON FIRST AND FINAL READING, DECEMBER 9, 2017;
with amendments in the form of H. B. No. 20-129, HD1, HS1, SD1.

**H. B. NO. 20-129, HD1, HS1, SD1, WAS RETURNED TO THE HOUSE OF REPRESENTATIVES ON
DECEMBER 9, 2017.**

The House of Representatives accepted the Senate amendments and passed H. B. No. 20-129, HD1, HS1, SD1, during its 13th Day, Second Regular Session on December 13, 2017.

THE BILL WAS FINALLY PASSED ON DECEMBER 13, 2017.

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

Linda B. Muña, House Clerk



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

THIRTEENTH DAY, SECOND REGULAR

DECEMBER 13, 2017

H. B. NO. 20-129, HD1, HS1, SD1

AN ACT

**TO AMEND 4 CMC §2308 TO ADDRESS CONCERNS OF THE
SETTLEMENT FUND TRUSTEE AND RESERVE FUNDS GENERATED
FROM THE CASINO GROSS REVENUE TAX.**

**Be it enacted by the Twentieth Northern Marianas Commonwealth
Legislature:**

1 **Section 1. Findings.** The Legislature finds that it is necessary that the first
2 \$22,000,000 of the Casino Gross Revenue Tax (CGRT) must be earmarked for appropriation
3 for the payment of the 25 percent of class members full benefits and also to cover the bonus
4 of the retirees' and their beneficiaries.

5 In addition, the Legislature acknowledges that Public Law 20-10, which became law
6 on September 25, 2017, amended the disposition of the casino gross revenue tax, specifically,
7 among other things, reserved \$7,500,000 of the CGRT in Fiscal Year 2017. Public Law 20-
8 10 also provides that \$7,500,000 shall be reserved in Fiscal Year 2018. The reserved
9 \$15,000,000 is to be expended in accordance with 4 CMC 2307 in 2018.

10 The purpose of this Act is to amend 4 CMC §2308 in order to earmark for
11 appropriation the first \$22,000,000 of the CGRT and to also reserve \$15,000,000 of the
12 CGRT to pay the distribution in accordance with 4 CMC § 2307.

HOUSE BILL 20-129, HD1, HS1, SD1

1 **Section 2. Amendment.** Title 4, Division 2, Tourism, Chapter 3, Article 1, section
2 2308 of the Commonwealth Code is hereby amended as follows:

3 “§ 2308. **Disposition of Gross Revenue Tax.**

4 The Secretary of Finance shall establish a special Casino Gross Revenue Tax
5 (CGRT) Account separate from the general funds. The funds in the CGRT Account
6 shall not lapse and not subject to fiscal year limitation. In addition, the Secretary of
7 Finance shall keep a record of the CGRT funds allocated pursuant to subsections (a)
8 and (b).

9 Notwithstanding 4 CMC §§ 1802 and 1804 or any other laws, gross revenue
10 tax generated from a license holder under this chapter shall be deposited in the special
11 CGRT Account, and shall be appropriated by the Legislature, unless otherwise
12 specifically provided in this section, for the following purposes:

13 (a) The first \$22,000,000 of the funds deposited into the CGRT Account after
14 the beginning of each calendar year shall be earmarked and available for
15 appropriation by the Legislature to cover or supplement the payment of 25% of class
16 members’ full benefits and any bonus to be distributed equally to all Settlement Class
17 Members and CNMI Fund members receiving annuity.

18 (b) After the amounts required pursuant to subsections (a) and (c) are satisfied,
19 the balance of the CGRT Account shall be recorded, maintained, and accounted for to
20 be reserved for appropriation by the Legislature for any of the following purposes:

- 21 (1) For the Fuel Adjustment Charge (FAC), formerly called LEAC,
22 Rate Subsidy Account for residential utility customers;
- 23 (2) For the Commonwealth Healthcare Corporation;
- 24 (3) For the Medical Referral Program;
- 25 (4) For the payment of land compensation judgments;
- 26 (5) For the Public School System;
- 27 (6) For the Northern Marianas College; and
- 28 (7) For the Northern Marianas Trades Institute.

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1 (c) \$7,500,000 of the funds in the CGRT Account reserved in 2017¹ and
2 another \$7,500,000 shall be reserved in Fiscal Year 2018 and the reserved total of
3 \$15,000,000 shall be placed in a special subaccount for expenditure in 2018 for the
4 purposes set forth in 4 CMC § 2307. The expenditure authority of this \$15,000,000 is
5 the Secretary of Finance.

6 (d) Within 30 days after each quarter, the Secretary of Finance shall report to
7 the presiding officers of the legislature describing the total funds in the CGRT and the
8 expenditure of the funds in accordance with subsection (c) and the amount reserved
9 for appropriation in accordance with subsections (a) and (b).”

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


14 **Section 4. Savings Clause.** This Act and any repealer contained herein shall not be
15 construed as affecting any existing right acquired under contract or acquired under statutes
16 repealed or under any rule, regulation, or order adopted under the statutes. Repealers
17 contained in this Act shall not affect any proceeding instituted under or pursuant to prior law.
18 The enactment of the Act shall not have the effect of terminating, or in any way modifying,
19 any liability, civil or criminal, which shall already be in existence on the date this Act
20 becomes effective.

¹ In accordance with PL 20-10, which became law on September 25, 2017.

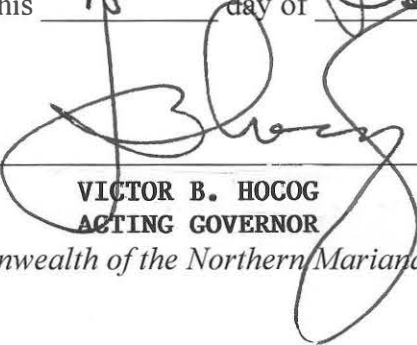
HOUSE BILL 20-129, HD1, HS1, SD1

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

Attested to by: 
Linda B. Muña, House Clerk

Certified by: 
SPEAKER RAFAEL S. DEMAPAN
House of Representatives
20th Northern Marianas Commonwealth Legislature

Approved this 15th day of December, 2017


VICTOR B. HOCOG
ACTING GOVERNOR
Commonwealth of the Northern Mariana Islands