GOV. COMM. 22-60 (HOUSE)



RALPH DLG. TORRES Governor ARNOLD I. PALACIOS Lieutenant Governor

COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS OFFICE OF THE GOVERNOR

The Honorable Edmund S. Villagomez Speaker House of Representatives Twenty-Second Northern Marianas Commonwealth Legislature Saipan, MP 96950

The Honorable Vinson "Vinnie" F. Sablan Chairman Saipan and Northern Islands Legislative Delegation Twenty-Second Northern Marianas Commonwealth Legislature Saipan, MP 96950

August 02, 2021 THES 3/21

Dear Speaker Villagomez and Chairman Sablan:

This is to inform you that I have signed into law **House Local Bill No. 22-8, S1**: "To impose a local license fee on all electronic gaming devices as defined in Title 6 section 3154 (a) (4), inclusive of poker amusement machines on the same e-gaming premises as defined in Title 6 section 3156 (b), located within the Third Senatorial District; and for other purposes.", which was passed by the Saipan and Northern Islands Legislative Delegation of the Twenty-Second Northern Marianas Commonwealth Legislature.

This bill becomes Saipan Local Law No. 22-6. Copies bearing my signature are forwarded for your reference.

RAUPH DLG. TORRES Governor

HOUSE CLERK

cc: Lt. Governor; Press Secretary; Secretary of Finance; Law Revision Commission; Public Auditor; Special Assistant for Programs and Legislative Review; Special Assistant for Administration; Attorney General

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SAIPAN AND NORTHERN ISLANDS LEGISLATIVE DELEGATION TWENTY-SECOND NORTHERN MARIANAS COMMONWEALTH LEGISLATURE SECOND SPECIAL SESSION, 2021

HOUSE LOCAL BILL NO. 22-8, S1

A LOCAL REVENUE BILL FOR AN ACT FOR THE THIRD SENATORIAL DISTRICT

To impose a local license fee on all electronic gaming devices as defined in Title 6 section 3154 (a) (4), inclusive of poker amusement machines on the same e-gaming premises as defined in Title 6 section 3156 (b), located within the Third Senatorial District; and for other purposes.

Offered by Representative:

Ralph N. Yumul

Prefiled on April 14, 2021 and Introduced on April 23, 2021

HOUSE ACTION

Transmitted to Saipan and Northern Islands Legislative Delegation for action on

June 18, 2021

DELEGATION ACTION

Referred To Comments Solicited : None : 6/18/21 – DM 22-46 Mayor Apatang DM 22-47 Mayor Santos DM 22-48 Chairperson, 16th SNIMC

Comments Received Standing Committee Report Passed First & Final Reading : None : None : June 23, 2021

Frances Joan P. Kaipat Delegation Clerk



SAIPAN AND NORTHERN ISLANDS LEGISLATIVE DELEGATION **Twenty-Second Northern Marianas Commonwealth Legislature Third Senatorial District**

SECOND SPECIAL SESSION, 2021

HOUSE LOCAL BILL NO. 22-8, S1

A LOCAL REVENUE BILL FOR AN ACT FOR THE THIRD SENATORIAL DISTRICT

To impose a local license fee on all electronic gaming devices as defined in Title 6 section 3154 (a) (4), inclusive of poker amusement machines on the same egaming premises as defined in Title 6 section 3156 (b), located within the Third Senatorial District; and for other purposes.

BE IT ENACTED BY THE THIRD SENATORIAL DISTRICT DELEGATION PURSUANT TO CHAPTER 4, DIVISION 1, TITLE 1 OF THE COMMONWEALTH CODE:

SECTION 1. SHORT TITLE. 1

This Act shall be cited as the "Third Senatorial District Electronic Gaming Devices

License Fee of 2021". 3

SECTION 2. FINDINGS AND PURPOSE. 4

The Delegation finds that electronic gaming has grown in popularity within the Third 5 Senatorial District since being legalized under Public Law No. 18-30. The Delegation finds 6 7 that many of the visitors of the Third Senatorial District are attracted to these gaming facilities because of the safety of the environment and the types of games they offer to their patrons. 8

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Furthermore, the Delegation finds that the poker industry in the Commonwealth has been paying an annual fee of more than \$12,000.00 per machine which is split between the 10

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Commonwealth and the Senatorial District in which the machine is being operated on. The 1 Delegation finds that a significant portion of the poker fees dedicated to the Third Senatorial 2 District has been earmarked to the Saipan Higher Education Financial Assistance (SHEFA) to 3 help college students from the Third Senatorial District. The Delegation further finds that with 4 the enactment of the Commonwealth Casino (Public Law No. 18-56) no new poker machines 5 will be allowed to be register within the Commonwealth of the Northern Mariana Islands after 6 April 2015. This means that collections from poker fees will decrease because of the 7 prohibition on registering new machines. The Delegation finds that the Third Senatorial 8 District is dependent on poker fees to pay for local programs, subsidizing local non-profit 9 organizations, local projects and most importantly the SHEFA program. Therefore, the intent 10 of this Act is to impose a local license fee on all electronic gaming devices within the Third 11 12 Senatorial District-including poker amusement machines that are located within e-gaming facilities or hotels. 13

14 SECTION 3. ENACTMENT.

Notwithstanding any laws, rules or regulations to the contrary and subject to proper
codification by the Commonwealth Law Revision Commission the following is hereby enacted:

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"101. Local license fee(s) for Electronic gaming devices.

(a) Local license fee(s) for electronic gaming devices. There is hereby imposed,
pursuant to 1 CMC § 1402(c)(4), a local license fee on all electronic gaming
machines or electronic table games as defined in Title 6 section 3154 (a) (4),
and on poker amusement machines located on the same e-gaming premises,

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1	specifically, an enclosed area or resort premises as set forth in Title 6 section
2	3156 (b), within the Third Senatorial District equal to the amount required
3	by Commonwealth law and shall subsequently adjust to be equal to the
4	amount assessed by Commonwealth law without further legislative action.
5	(b) The fees collected under this Act shall be appropriated by the Saipan and
6	Northern Islands Legislative Delegation. Provided however, that should the
7	obligation to the Saipan Higher Education Financial Assistance (SHEFA)
8	student scholarship account and the SHEFA operations account drop below
9	its current level (\$3,000,000.00 and \$200,000.00) due to the shortage in
10	poker fee collections and/or any other allocations for SHEFA, the fees
11	collected under this Act shall first subsidize the SHEFA account(s) prior to
12	being appropriated for any other purposes.
13	(c) The Secretary of the Department of Finance shall create a special account to
14	be known as the "Third Senatorial District electronic gaming device fee
15	account."
16	SECTION 4. SEVERABILITY.
17	If any provision of this Act or the application of any such provision to any person or
18	circumstance should be held invalid by a court of competent jurisdiction, the remainder of this
19	Act or the application of its provisions to persons or circumstances other than those to which it
20	is held invalid shall not be affected thereby.
21	SECTION 5. SAVINGS CLAUSE.

Saipan Local Law No. 22-6

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1 This Act and any repealer contained herein shall not be construed as affecting any 2 existing right acquired under contract or acquired under statutes repealed or under any rule, 3 regulation or order adopted under the statutes. Repealers contained in this Act shall not affect 4 any proceeding instituted under or pursuant to prior law. The enactment of the Act shall not 5 have the effect of terminating, or in any way modifying, any liability, civil or criminal, which 6 shall already be in existence on the date this Act becomes effective.

7 SECTION 6. EFFECTIVE DATE.

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

CERTIFIED BY:

VINNIE F. SABLAN Chairman Saipan & Northern Islands Legislative Delegation

EDMUND S. VILLAGOMEZ Speaker House of Representatives

on this 02 day of hugust 2021.

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