



House of Representatives

TWENTY-SECOND NORTHERN MARIANAS COMMONWEALTH LEGISLATURE
P.O. BOX 500586
SAIPAN, MP 96950

HOUSE
FILE

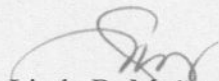
March 29, 2021

The Honorable Jude U. Hofschneider
President
The Senate
Twenty-Second Northern Marianas
Commonwealth Legislature
Capitol Hill
Saipan, MP 96950

Dear Senate President Hofschneider:

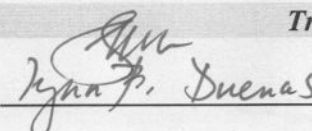
I have the honor of transmitting herewith for Senate action **H. B. No. 22-21, HD1**, entitled: **“To strengthen the tools and powers of the CNMI Government to promote and expand economic development and to establish the Commonwealth Economic Development Authority.”**, which was passed by the House of Representatives on First and Final Reading, by the majority vote of the members present, a quorum being present, during its Fourth Day, First Regular Session on March 25, 2021.

Sincerely yours,


Linda B. Muña
House Clerk

Attachment

Transmittal to the SENATE

Received by:  Date: 3/29/2021 Time: 8:01 am

TWENTY-SECOND NORTHERN MARIANAS COMMONWEALTH

LEGISLATURE

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 19, 2021

First Regular Session, 2021

H. B. 22-21, HD1

A BILL FOR AN ACT

To strengthen the tools and powers of the CNMI Government to promote and expand economic development and to establish the Commonwealth Economic Development Authority.

**BE IT ENACTED BY THE 22ND NORTHERN MARIANAS
COMMONWEALTH LEGISLATURE:**

1 **Section 1. Short Title.** This act may be cited as the “Commonwealth
2 Economic Development Authority Act of 2021”.

3 **Section 2. Findings and Purpose.** The Legislature finds that the
4 Commonwealth economy requires a renewed focus on economic development and
5 diversification to provide jobs, and economic opportunity to a community that has
6 beleaguered with natural disasters, global crisis, and the lingering impacts of the
7 wide-spread collapse of the manufacturing sector that has resulted in volatilities
8 inherent within an undiversified economy.

9 The Legislature finds that a targeted focus of a single governmental entity
10 to plan for and implement efforts to cultivate a stronger, more diversified economy
11 for the Commonwealth is necessary in establishing competitiveness against
12 locations vying for global investments.

1 The Legislature further finds that the Commonwealth Development
2 Authority, since its establishment through the Commonwealth Development
3 Authority Act of 1984, has succeeded in its statutory mandate over the course of
4 the last 36 years. However, as global and regional economic landscapes change and
5 industries evolve, there is a need to amend the statutory language for the challenges
6 of the 21st Century.

7 The purpose of the Commonwealth Economic Development Authority is to
8 be the primary agency tasked with the economic development of the
9 Commonwealth, and to be empowered to undertake this mandate with the
10 flexibility to become proactive in the pursuit of industries and investments that will
11 strengthen the CNMI economy.

12 **Section 3. Global Amendment.** The references in Division 10 of Title 4
13 and Chapter 13 of Division 5 of Title 4 of the Commonwealth Code and all
14 references in any contract, Executive Order, rule, regulation or document to the
15 “Commonwealth Development Authority” or “CDA” shall be amended to or read
16 as the “Commonwealth Economic Development Authority” or “CEDA”.

17 **Section 4. Amendment.** Title 4, Division 10, Chapter 2, § 10203(a) is
18 amended to add new subsections (1), (2), (3), (4) and (5) to read as follows and to
19 appropriately re-number subsequent subsections accordingly:

1 “(1) To assist in the development of the economic development plan
2 for the Commonwealth, and control and implement that part of the plan
3 assigned to it by law.

4 (2) To be responsible for actively promoting the CNMI as a location
5 for private investment.

6 (3) To promote and encourage the CNMI and development of new
7 businesses within the Commonwealth, as well as promote the retention and
8 expansion of existing businesses.

9 (4) To promote and encourage the expansion and development of
10 market for the products of the CNMI and to encourage the establishment of
11 commercial linkages of CNMI products within the CNMI tourism industry.

12 (5) To coordinate, develop, and participate in off-island investor
13 missions to generate interest and investment in the CNMI, with emphasis
14 on business investments from the United States of America.”

15 **Section 5. Amendment.** Title 4, Division 10, Chapter 3, § 10305 (b) is
16 amended to add new subsections (5) and (6) and 7 to read as follows and to
17 appropriately re-number subsequent subsections accordingly:

18 “(5) To allocate and expend funds for the purposes of promotion of
19 the CNMI as a location for private investment, the expansion and retention
20 of existing businesses, the promotion and marketing of products of the
21 CNMI, and the undertaking of promotional activities for CNMI investments

1 in line with the economic development plan for the CNMI, in accordance
2 with the responsibilities of the Authority contained in 4 CMC § 10203;

3 (6) Any use of CEDA funds for the promotional activities for CNMI
4 investments, the expansion, and retention of an existing business, the
5 promotion, and marketing of products of the CNMI will be reported in the
6 annual CEDA Citizen-Centric report, as to each activity, to include 1)
7 Budgeted amount and annual expenditure; 2) Purpose & Action taken, and
8 3) Result(s) of promoting of the CNMI and any other relevant information
9 pertaining to those activities;

10 (7) CEDA shall act in consultation with the Department of
11 Commerce in the performance of the duties set forth in Title 1, Division 2,
12 Subsection 2451 et seq.”

13 **Section 6. Severability.** If any provision of this Act or the application of
14 any such provision to any person or circumstance should be held invalid by a court
15 of competent jurisdiction, the remainder of the Act or the application of its
16 provisions to persons or circumstances other than those to which it is held invalid
17 shall not be affected thereby.

18 **Section 7. Savings clause.** This Act and any repealer contained herein shall
19 not be construed as affecting any existing right acquired under contract or acquired
20 under statutes repealed or under any rule, regulation or order adopted under the
21 statutes. Repealers contained in this Act shall not affect any proceeding instituted

HOUSE BILL 22-21, HD1

1 under or pursuant to prior law. The enactment of the Act shall not have the effect
2 of terminating, or in any way modifying, any liability, civil or criminal, which shall
3 already be in existence on the date this Act becomes effective.

4 **Section 8. Effective date.** This Act shall take effect upon its approval by
5 the Governor or upon its becoming law without such approval.

Prefiled: 2/12/2021

Date: 2/12/2021

Introduced By: /s/ Rep. Angel A. Demapan
/s/ Rep. Blas Jonathan "BJ" T. Attao
/s/ Rep. Ivan A. Blanco
/s/ Rep. Joel C. Camacho
/s/ Rep. Joseph A. Flores
/s/ Rep. Joseph Leepan T. Guerrero
/s/ Rep. John Paul P. Sablan

Reviewed for legal sufficiency by:

/s/ Joseph L.G. Taijeron, Jr.
House Legal Counsel