

**TWENTY-SECOND NORTHERN MARIANAS COMMONWEALTH**

**LEGISLATURE**

**IN THE HOUSE OF REPRESENTATIVES**

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**Regular Session, 2021**

**H. B. 22-56**

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**A BILL FOR AN ACT**

To assess a fee on plastic checkout bags distributed in the  
Commonwealth; and for other purposes.

**BE IT ENACTED BY THE 22<sup>ND</sup> NORTHERN MARIANAS  
COMMONWEALTH LEGISLATURE:**

1           **Section 1. Short Title.** This Act may be cited as the “Eco-Friendly Act of  
2 2021.”

3           **Section 2. Findings and Purpose.** The Commonwealth Legislature finds  
4 that discarded non-compostable plastic bags pollute the environment and pose a  
5 significant threat to terrestrial and marine animals. In addition to the harm that  
6 these plastic bags present, the manufacturing of these bags requires the needless  
7 consumption of the earth’s ever-depleting non-renewable resources.

8           As stewards of this Commonwealth, we have a duty to preserve our  
9 resources, and to act as guardians for mother earth for the benefit of our children  
10 and their children. As set forth in more detail herein, issues relating to consumption  
11 and the impact, both economic and environmental, associated with plastic bags  
12 must no longer be ignored.

1           In terms of global consumption, each year, an estimated 1 trillion plastic  
2 bags are used worldwide. This amounts to over one million bags per minute.  
3 Billions of these bags end up as litter each year on our land and in our ocean.  
4 According to the EPA, over 380 billion plastic bags, sacks and wraps are consumed  
5 in the United States each year. According to The Wall Street Journal, the United  
6 States consumes 100 billion single-used plastic shopping bags annually at an  
7 estimated cost to retailers of 4 billion dollars.

8           Relative to environmental impact, the Legislature also finds that hundreds  
9 of thousands of sea turtles, whales and other marine mammals die every year from  
10 eating discarded plastic bags mistaken for food. Plastic bags are also harmful  
11 because rather than biodegrade, they photodegrade – that is, they break down into  
12 smaller and smaller toxic bits. These toxic materials eventually contaminate the  
13 soil and waterways and enter the food chain when animals accidentally ingest them.  
14 46,000 of plastic are found floating in every square mile of ocean. A single plastic  
15 bag can take up to 1,000 years to degrade. Plastic bags remain toxic even after they  
16 break down. The Legislature acknowledges that changes mandated herein may be  
17 considered inconvenient and expensive, but the alternative of doing nothing, of  
18 standing idly by, will cost even more.

19           By enacting this Legislation, the CNMI joins many other Pacific nations,  
20 including its fellow members in the Association of Pacific Island Legislatures that  
21 enacted APIL Resolution No. 49-BOD-01-CD1 in support of plastic bag

1 prohibitions in 2008. Outright bans on single use plastic bags have also been  
2 enacted in Samoa, Vanuatu, Niue, and Papua New Guinea.

3 It is therefore the intent of this legislation to discourage the use of non-  
4 compostable plastic bags by imposing a fee on the usage of the common checkout  
5 plastic bags and to encourage the use of reusable bags.

6 **Section 3. Enactment.** Notwithstanding any laws, provisions or statutes  
7 to the contrary and subject to proper codification by the Commonwealth Law  
8 Revision Commission the following is hereby enacted:

9 “101. Definition.

10 As used in this chapter, the following terms shall, unless the context  
11 clearly indicates otherwise, have the following meanings:

12 (a) *Seller.*

13 (1) “Seller” means a retail business where the sale of goods  
14 represents at least fifty percent of all sales. This designation shall include  
15 office supply sellers, restaurants, and all sellers that issue plastic bags.

16 (b) *Plastic Bag.*

17 (1) “Plastic Bag” means a plastic bag that is provided by a seller to  
18 a customer, but does not include a plastic bag used solely to contain the  
19 following:

20 (A) Fresh meat and meat products, including beef, pork,  
21 poultry, and seafood;



1 (c) *Reusable bag.*

2 (1) "Reusable bag" shall include any type of bag or carrier reused  
3 by the customer to carry items.

4 (d) *Commerce*

5 (1) "Commerce" means the Department of Commerce.

6 (f) *Revenue and Tax*

7 (1) "Revenue and Tax" means the Division of Revenue and  
8 Taxation.

9 **Section 4. Plastic Bag Usage Fee.**

10 (a) *Imposition of fee.* Beginning 90 calendar days after the enactment of  
11 this Act, each seller shall assess a "plastic bag fee" of \$1.00 for every  
12 plastic bag, regardless of size, provided for the use of customers. The  
13 "plastic bag fee" shall be applied uniformly to all sellers in the  
14 Commonwealth.

15 (b) *Special Account.* The usage fees collected pursuant to this section shall  
16 be forwarded to a special account for all enforcement efforts of the  
17 Department of Commerce entitled, "Commerce Enforcement Efforts."  
18 The expenditure authority shall be the Secretary of the Department of  
19 Commerce.

20 **Section 5. Duty of Seller**

1           (a) *Public Notice.* Sellers shall post the “plastic bag fee” in a prominent  
2 manner at the checkout location and entrance (if separate from the checkout  
3 location) to the establishment to allow for reasonable notice to customers.

4           (b) *Reporting.* As set forth herein, each seller shall provide a monthly report  
5 stating the amount collected and actual costs incurred, pursuant to the “plastic bag  
6 fee,” to the Department of Finance which shall then forward all reports to the  
7 Department of Commerce.

8           (c) *Payment of Fees.* The plastic bag usage fees collected shall be paid on  
9 a monthly basis to the CNMI Treasury at the Department of Finance.

10           **Section 6. Enforcement and Inspections.** The CNMI Department of  
11 Commerce shall be responsible for the enforcement of this chapter, and may create  
12 a task force to educate the general public as well as the affected business  
13 community about the requirements and provisions of this Act.

14           The CNMI Department of Commerce shall have the right to conduct  
15 inspections, without prior notice, during the seller’s regular business hours. During  
16 such an inspection, The CNMI Department of Commerce shall have the right to  
17 visit every part of the seller’s premises to ensure compliance with this chapter.

18           **Section 7. Penalties.**

19           (a) *False reporting.* Knowingly claiming or reporting false information, in  
20 addition to whatever other civil and criminal penalties that may apply, shall be  
21 punishable by:

1 (1) a fine in the amount of \$1,000.00;

2 (2) a fine in the amount of \$1,500.00 for the second violation within  
3 five years;

4 (3) a fine in the amount of \$ 2,500.00 for any subsequent violation  
5 of any nature within five years.

6 (b) *Failure to Assess Plastic Bag Usage Fee.* The failure to assess the usage  
7 fee to customers within the permissible range as set forth herein, shall be punishable  
8 by:

9 (1) a fine in the amount of \$1,000.00 for the first violation;

10 (2) a fine in the amount of \$1,500.00 for the second violation;

11 (3) a fine in the amount of \$2,500 for any subsequent violation  
12 thereafter.

13 (d) *Non-applicability of sums paid as penalties.* Any and all fees paid as a  
14 penalty for violating this Act shall not be applied towards payment for any other  
15 claim or credit.

16 (e) *Appropriation of Fines and Penalties.* All fines and penalties collected  
17 pursuant to this chapter shall be paid to the CNMI Treasury at the Department of  
18 Finance. Such fines and penalties shall be deposited into the special account  
19 entitled, "Commerce Enforcement Efforts." Said funds shall not be reprogrammed  
20 or transferred back into the general fund, or any other account. Expenditure



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1 authority shall lie with the Secretary of the Department of Commerce for  
2 enforcement purposes.

3       **Section 8. Reporting Requirement.** The Department of Commerce, shall  
4 report funds received from this Act, on an annual basis with their budget  
5 submissions as well as in their respective Citizen-Centric Report. The penalty for  
6 not reporting will be the suspension of funds for the next fiscal year.

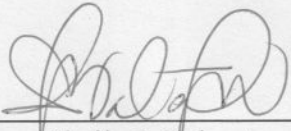
7       **Section 9. Severability.** If any provisions of this Act or the application of  
8 any such provision to any person or circumstance should be held invalid by a court  
9 of competent jurisdiction, the remainder of this Act or the application of its  
10 provisions to persons or circumstances other than those to which it is held invalid  
11 shall not be affected thereby.

12       **Section 10. Savings Clause.** This Act and any repealer contained herein  
13 shall not be construed as affecting any existing right acquired under contract or  
14 acquired under statutes repealed or under any rule, regulation, or order adopted  
15 under the statutes. Repealers contained in this Act shall not affect any proceeding  
16 instituted under or pursuant to prior law. The enactment of the Act shall not have  
17 the effect of terminating, or in any way modifying, any liability, civil or criminal,  
18 which shall already be in existence on the date this Act becomes effective.

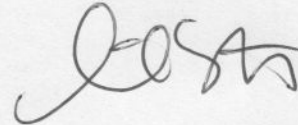
19       **Section 11. Effective Date.** This Act shall take effect upon its approval by  
20 the Governor, or its becoming law without such approval.

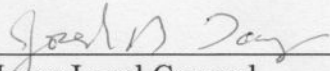
Prefiled: 4/20/2021

Date: 4/20/2021 Introduced by:

  
Rep. Sheila J. Babauta

Reviewed for Legal Sufficiency by:



  
House Legal Counsel