

Calendar
10/25/2024

TWENTY-THIRD NORTHERN MARIANAS COMMONWEALTH
LEGISLATURE

IN THE HOUSE OF REPRESENTATIVES

October 25, 2024

Fourth Regular Session, 2024

H. B. 29-121

A BILL FOR AN ACT

To require the Municipality of Rota, and the Municipality of Tinian the option, to reserve at least \$100,000 of the funds provided to each municipality under 4 CMC § 2159 for fee agreements made between the United States and the respective municipalities for additional or expanded United States Customs and Border Protection services.

**BE IT ENACTED BY THE 23RD NORTHERN MARIANAS
COMMONWEALTH LEGISLATURE:**

- 1 **Section 1. Findings and Purpose.** The Legislature finds that individuals
2 traveling between Rota and Guam and between Tinian and Guam are required to
3 be processed by the United States Customs and Border Protection (“US CBP”).
4 However, due to the relatively low volume of traffic passing through the airport on
5 Rota and Tinian, US CBP does not maintain an office at the Benjamin Manglona
6 Taisacan International Airport and Tinian International Airport.
7 US CBP services can be retained at these airports, if the CNMI Government
8 enters into a fee agreement or similar arrangement with the United States for those
9 expanded services. The Legislature finds that these services are critical for the

1 islands' economic development, tourism, and overall public safety because such
2 services facilitate the movement of people to and from the CNMI.

3 The Legislature also finds that the Hotel Occupancy Tax is charged to
4 guests staying in hotels and similar accommodations in the CNMI. To ensure that
5 all travelers can lawfully enter the CNMI and enjoy these accommodations, US
6 CBP services are required at CNMI airports. Because US CBP services are essential
7 for lawful entry into the CNMI, and travelers must enter the CNMI before they can
8 use its hotels, the Legislature finds that a portion of the Hotel Occupancy Tax
9 should be used to fund expanded US CBP services.

10 Last, this Act is designed to maintain US CBP expanded services during a
11 critical time for the islands' economic growth and recovery. This Act includes a
12 sunset clause that should prompt future Legislatures to evaluate the need for this
13 specific allocation of funds, allowing for potential reallocation to other vital tourism
14 and economic development initiatives.

15 Thus, the purpose of this Act is to require the Municipality of Rota reserve
16 at least \$100,000 of the funds provided to each municipality under 4 CMC § 2159
17 and the option for the Municipality of Tinian to reserve the same when needed for
18 fee agreements made between the United States and the respective municipalities
19 for additional or expanded United States Customs and Border Protection services.

20 **Section 2. Amendment.** 4 CMC § 2159 is hereby amended to read as
21 follows:

1 **“§ 2159. Municipalities of Tinian, Rota, and Saipan.**

- 2 (a) Provided that not less than two percent for each municipality, but not
3 less than \$ 300,000 each, whichever is greater, of the funds per fiscal
4 year from the MVA Trust Fund, shall be remitted to the Municipalities
5 of Saipan, Tinian, and Rota to be used to implement charter flight
6 tourism incentives, promotional programs, tourism enhancement
7 activities, beautification projects, island-wide cleanup, United States
8 Customs and Border Protection services, and to include purchasing
9 supplies and equipment for such projects. The expenditure authority of
10 these funds shall be the respective mayors of each island.
- 11 (b) Reporting. The Municipalities of Tinian, Rota, and Saipan shall submit
12 a detailed annual report of the funds utilized under subsection (a), to the
13 Governor, the Legislature, and the Marianas Visitors Authority;
14 provided, however, that the Marianas Visitors Authority shall report all
15 funds utilized for tourism enhancement for the Municipalities of Tinian,
16 Rota, and Saipan and other tourism related activities. Furthermore, any
17 expenditures by the municipalities with the approval of Marianas
18 Visitors Authority for tourism enhancement and beautification activities
19 outside of the funds covered by subsection (a) shall be reimbursable to
20 the respective municipality that incurred costs associated with tourism

1 enhancement, beautification or other related activities that should have
2 been paid for by the Marianas Visitors Authority.

3 (c) The Municipality of Rota shall reserve at least \$100,000 of and the
4 Municipality of Tinian shall have the option to reserve the same amount
5 of the funds provided under subsection(a) for fee agreements made
6 between the United States and the respective municipalities for
7 additional or expanded United States Customs and Border Protection
8 services. This subsection shall expire on the last day of FY 2027.

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

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

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

^{Intro}
Prefiled: 10/25/24

Date: 10/25/24

Introduced by: _____

Rep. Julie M. A. Ogo

Reviewed for Legal Sufficiency by:

Joseph S. Ogo
House Legal Counsel

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