

REFERRED TO: NM 4/9/2023
HOUSE

**TWENTY-THIRD NORTHERN MARIANAS COMMONWEALTH
LEGISLATURE**

IN THE HOUSE OF REPRESENTATIVES

March 31, 2023

FIRST Regular Session, 2023 H. B. 23-41

A BILL FOR AN ACT

To establish an excise tax for beletnut/areca nut and lime mix/afok/or bweesch.

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

1 **Section 1. Findings and Purpose.** The Legislature finds that betelnut/areca
2 nut chewing is a common traditional activity that is practiced in different countries
3 within the Pacific Islands. Such activity involves the actual betelnut/areca nut and
4 other different additives, especially lime mix/afok/bweesch. Despite being seen as
5 a normal practice within the CNMI, the Legislature finds that such acts contribute
6 to higher risk of developing oral cancer. To minimize the development of such a
7 malignant illness, the Legislature finds that it would be appropriate to establish a
8 tax for purchasing both the betelnut/areca nut and the lime mix/afok/bweesch. In
9 doing so, the Legislature finds that it will be the proper deterrence mechanism that
10 would force betelnut/ areca nut chewers to make fiscally sound decisions in hope
11 that it would mitigate the development of oral cancer as well as other possible
12 illnesses associated with chewing betelnut/areca nut.

1 The Legislature further finds that betelnut/areca nut and other chewing
2 additives, specifically lime mix/*afok/bweesch*, can be purchased at various stores
3 throughout the CNMI. Such products are either purchased locally or imported from
4 different nearby islands. Despite how these businesses purchase these products,
5 several betelnut chewing customers continue to flood such stores on a daily basis
6 to purchase such item, further contributing to a business' Business Gross Revenue
7 Tax (BGRT). The Legislature also finds that this would be a great financial
8 opportunity for our Commonwealth to exploit such avenue to gain much needed
9 additional revenues. Despite being a possible deterrence mechanism, the
10 Legislature finds that it would be appropriate to tax such products to establish a
11 health benefit if sales decrease and a financial benefit if sales increase. The CNMI
12 would gain a significant benefit from either scenario. Furthermore, it is not the
13 intent of the proposed legislation to impose a tax on locally grown betelnut/areca
14 nut and locally made lime mix/*afok/* or *bwesch*. The intent is to impose a tax on
15 imported betelnut/areca nut and lime mix/*afok/bwesch*.

16 Therefore, the purpose of this Act is to establish an excise tax for
17 beletnut/areca nut and lime mix/*afok/or bweesch*.

18 **Section 2. Amendment.** 4 CMC §1401 of the Commonwealth Code is
19 hereby amended by adding subsections (r) and (s) to read as follows:

20 “(r) “Betelnut” and/or “Areca Nut” shall have the same meaning as
21 stated in 4 CMC §51902.

1 (s) “Lime Mix”, “*Afok*” or “*Bweesch*” shall mean the substance
2 produced by burning limestone, coral, or seashells, and transformed into
3 powder form OR the powdered form is mixed with water, both of which are
4 manufactured, used and/or sold as a betelnut chewing additive.”

5 **Section 3. Amendment.** 4 CMC §1402(a) of the Commonwealth Code is
6 hereby amended by adding new subsections (22) and (23) to read as follows and
7 the CNMI Law Revision Commission shall renumber remaining subsections
8 accordingly:

9 “(22) Betelnut/Areca Nut, five dollars per twenty pieces of
10 betelnut/areca nut or fractional equivalent thereof;

11 (23) Lime Mix/Afok/Bweesch, five cents per ounce or fractional
12 equivalent thereof;”

13 **Section 4. Amendment.** 4 CMC §1402(g) of the Commonwealth is hereby
14 amended by adding a new subsection (4) to read as follows:

15 “(4) Notwithstanding any laws, provisions, or laws to the contrary,
16 all funds collected pursuant to 4 CMC §1402(a)(22) and 4 CMC
17 §1402(a)(23) shall be deposited into separate accounts, separate from the
18 General Fund, as follows:

19 (I) Eighty percent (80%) to the Medical Referral Services Office for
20 oral cancer stipends. The Director of the Medical Referral Services Office,

1 in consultation with the Chief Executive Officer of the Commonwealth
2 Healthcare Corporation, shall be the expenditure authority of these funds.

3 (II) Twenty percent (20%) to the Commonwealth Cancer
4 Association. The Executive Director of the Commonwealth Cancer
5 Association shall be the expenditure authority of these funds.”

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

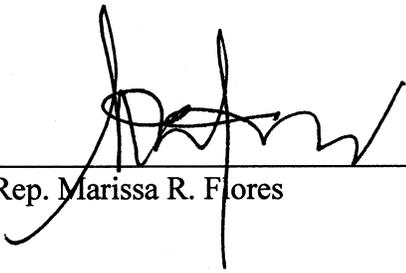
11 **Section 4. Savings Clause.** This Act and any repealer contained herein
12 shall not be construed as affecting any existing right acquired under contract or
13 acquired under statutes repealed or under any rule, regulation, or order adopted
14 under the statutes. Repealers contained in this Act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

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

Prefiled: 3/31/2023

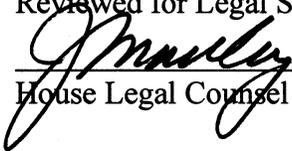
Date: 3/31/2023

Introduced by:



Rep. Marissa R. Flores

Reviewed for Legal Sufficiency by:



3-31-23

House Legal Counsel