

REFERRED TO: WM & PUTC  
(HOUSE)  
2/20/2024

TWENTY-THIRD NORTHERN MARIANAS COMMONWEALTH  
LEGISLATURE

IN THE HOUSE OF REPRESENTATIVES

February 16, 2024

Third Reg. Session, 2024

H. B. 23- 98

A BILL FOR AN ACT

To remove the exemption of certified ENERGY STAR devices and solar electric power producing hardware from the imposition of the excise tax.

BE IT ENACTED BY THE 23<sup>RD</sup> NORTHERN MARIANAS COMMONWEALTH LEGISLATURE:

1           **Section 1. Findings and Purpose.** The Legislature finds that pursuant to  
2   4 CMC §1402(a), an excise tax is imposed for the privilege of first sale, use,  
3   manufacture, lease or rental of goods, commodities, resources, or merchandise in  
4   the Commonwealth for business purposes or for personal use exceeding a certain  
5   value. Furthermore, the Legislature further finds that pursuant to 4 CMC §1402(c),  
6   certain items are exempted from the imposition of the excise tax. Pursuant to the  
7   subsection (12) of the specified statute, refrigerators, stoves, ovens, and other  
8   devices for preserving or cooking food, which are certified ENERGY STAR by the  
9   U.S. Environmental Protection Agency and the U.S. Department of Energy are  
10   exempted. Furthermore, pursuant to subsection (6) of the same statute, equipment,  
11   machinery, merchandise, devices, and other items which produce, or are  
12   components of a system that produces, electric power from solar are exempted as

1 well. The Legislature finds that in today's day and age, many businesses and  
2 households possess these certified ENERGY STAR appliances and solar electric  
3 power producing items. As a means of potential revenue for the CNMI, the  
4 Legislature finds that it would be highly appropriate to remove the exemption of  
5 such appliances and hardware items. With all the certified ENERGY STAR devices  
6 and solar electric power producing hardware coming in to the Commonwealth, the  
7 CNMI will be able to utilize such funds to improve government services intended  
8 to serve for the benefit of both our people and communities alike.

9 Therefore, the purpose of this Act is to remove the exemption of certified  
10 ENERGY STAR devices and solar power producing hardware from the imposition  
11 of the excise tax.

12 **Section 2. Repealer.** 4 CMC §1402(c)(12) are hereby repealed in its  
13 entirety.

14 **Section 3. Amendment.** 4 CMC §1402(c)(6) is hereby amended to read as  
15 follows:

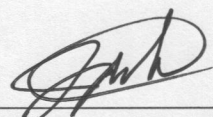
16 “(6) Equipment, machinery, merchandise, devices, and other items which  
17 produce, or are components of a system that produces, electric power from  
18 wind, solar, water, landfill gas, waste, geothermal sources, ocean thermal,  
19 ocean current or wave energy, biomass, municipal solid waste, biofuels, or  
20 fuels derived from organic sources, hydrogen fuels, or fuel cells where the  
21 fuel is derived from renewable sources.”

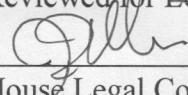
1           **Section 4. Severability.** If any provisions of this Act or the application of  
2 any such provision to any person or circumstance should be held invalid by a court  
3 of competent jurisdiction, the remainder of this Act or the application of its  
4 provisions to persons or circumstances other than those to which it is held invalid  
5 shall not be affected thereby.

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

13           **Section 6. Effective Date.** This Act shall take effect upon its approval by  
14 the Governor, or its becoming law without such approval.

*Intro*  
Prefiled: 2/16/2024

Date: \_\_\_\_\_ Introduced by:   
Rep. John Paul P. Sablan

*introduction purposes only*  
Reviewed for Legal Sufficiency by:  
 2/16/24  
House Legal Counsel



**HOUSE OF REPRESENTATIVES**  
**TWENTY-THIRD NORTHERN MARIANAS COMMONWEALTH LEGISLATURE**  
 HONORABLE JESUS P. MAFNAS MEMORIAL BUILDING  
 P. O. BOX 500586  
 SAIPAN, MP 96950

**EDMUND S. VILLAGOMEZ**  
**SPEAKER**


\* HOUSE  
 FILE

**MEMORANDUM**

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**DATE :** February 20, 2024

**TO :** CHAIRMAN VINCENT R.S. ALDAN, PUTC COMMITTEE

**FROM :** SPEAKER EDMUND S. VILLAGOMEZ 

**SUBJECT :** Referral of Legislation

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In accordance with Rule IX, Section 8, I hereby refer the following measure for the Public Utilities, Transportation, and Communications Committee's review:

**H. B. No. 23-98:** To remove the exemption of certified ENERGY STAR devices and solar electric power producing hardware from the imposition of the excise tax. Introduced by Rep. John Paul P. Sablan of Saipan, Precinct 2 (for himself)

The Committee has 60 days to submit a written report on the legislation; therefore, I urge the Committee to review promptly the aforementioned legislation.

cc: Senate President  
 House Members  
 LB Director  
 House Clerk

*Approved 2/20/24  
 on*



**HOUSE OF REPRESENTATIVES**  
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FILE**

**MEMORANDUM**

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**DATE : February 20, 2024**

**TO : CHAIRMAN RALPH N. YUMUL, WM COMMITTEE**

**FROM : SPEAKER EDMUND S. VILLAGOMEZ** 

**SUBJECT : Referral of Legislation**

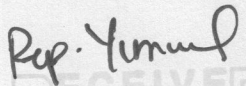
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In accordance with Rule IX, Section 8, I hereby refer the following measure for the Ways and Means Committee's review:

**H. B. No. 23-98:** To remove the exemption of certified ENERGY STAR devices and solar electric power producing hardware from the imposition of the excise tax. Introduced by Rep. John Paul P. Sablan of Saipan, Precinct 2 (for himself)

The Committee has 60 days to submit a written report on the legislation; therefore, I urge the Committee to review promptly the aforementioned legislation.

cc: Senate President  
House Members  
LB Director  
House Clerk

  
**RECEIVED**  
**2/20/24** 