

# Arnold I. Palacios Governor



David M. Apatang Lieutenant Governor

# COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS OFFICE OF THE GOVERNOR

05 JUN 2025

GOV2025-437

The Honorable Edmund S. Villagomez Speaker House of Representatives Twenty-Fourth Northern Marianas Commonwealth Legislature Saipan, MP 96950

The Honorable Dennis James C. Mendiola President The Senate; Twenty-Fourth Northern Marianas Commonwealth Legislature Saipan, MP 96950

Dear Mr. Speaker and Mr. President:

This is to inform you that I have signed into law **House Bill No. 24-20**, entitled, "To require conspicuous warning labels be placed on all betel nut products and containers that are imported or sold in the CNMI.", which was passed by the House of Representatives and the Senate of the Twenty-Fourth Northern Marianas Commonwealth Legislature.

This bill becomes **Public Law No. 24-02.** Copies bearing my signature are forwarded for your reference.

Sincerely,

ARNOLD I. PALACIOS

Governor

RECEIVED BY SMY
6/5/2025 TIME 2:15/M

cc: Lieutenant Governor; Attorney General; Commonwealth Law Revision; Public Auditor; Special Assistant for Administration; Department of Commerce; Department of Public Health; Commonwealth Healthcare Corporation; Programs and Legislative Review Office



## TWENTY-FOURTH NORTHERN MARIANA COMMONWEALTH LEGISLATURE

## IN THE HOUSE OF REPRESENTATIVES

FIRST SPECIAL SESSION

**APRIL 24, 2025** 

REPRESENTATIVE BLAS JONATHAN "BJ" T. ATTAO OF SAIPAN, PRECINCT 3 (for himself, Representatives Vincent R. Aldan, Daniel I. Aquino Jr., Roman C. Benavente, Angelo A. Camacho, Diego V. F. Camacho, Joel C. Camacho, Marissa R. Flores, Elias J.M. Rangamar, Edmund S. Villagomez, and Ralph N. Yumul) in an open and public meeting with an opportunity for the public to comment, introduced the following Bill:

## H. B. No. 24-20

## AN ACT

TO REQUIRE CONSPICUOUS WARNING LABELS BE PLACED ON ALL BETEL NUT PRODUCTS AND CONTAINERS THAT ARE IMPORTED OR SOLD IN THE CNMI.

#### IN THE HOUSE OF REPRESENTATIVES

The Bill was not referred to a House Committee.

THE BILL WAS PASSED BY THE HOUSE OF REPRESENTATIVES ON FIRST AND FINAL READING, APRIL 24, 2025; without amendments and transmitted to THE SENATE.

#### IN THE SENATE

The Bill was not referred to a Senate Committee.

THE BILL WAS PASSED BY THE SENATE ON FIRST AND FINAL READING, MAY 9, 2025; without amendments and returned to THE HOUSE OF REPRESENTATIVES.

H. B. No. 24-20 is duly passed by the Twenty-Fourth Northern Marianas Commonwealth Legislature.

Linda B. Muña, House Clerk



TWENTY-FOURTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

## IN THE HOUSE OF REPRESENTATIVES

FIRST DAY, FIRST SPECIAL SESSION
APRIL 24, 2025

## H. B. No. 24-20

## AN ACT

TO REQUIRE CONSPICUOUS WARNING LABELS BE PLACED ON ALL BETEL NUT PRODUCTS AND CONTAINERS THAT ARE IMPORTED OR SOLD IN THE CNMI.

# BE IT ENACTED BY THE TWENTY-FOURTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE:

#### SECTION 1. FINDINGS AND PURPOSES.

Federal law establishes labeling requirements on certain consumer products that are carcinogenic or hazardous to one's health. For example, the Family Smoking Prevention and Tobacco Control Act gives the Food and Drug Administration (FDA) the power to regulate the tobacco industry, particularly in regards to the manufacture, marketing, and distribution of tobacco products. Indeed, in March 2020, FDA finalized the "Required Warnings for Cigarette Packages and Advertisements" rule, establishing eleven new cigarette health warnings—each featuring a textual warning accompanied by a photorealistic image illustrating the dangers of smoking.

Additionally, the Federal Cigarette Labeling and Advertising Act and related regulations impose strict requirements on the manufacture, marketing,

345

6 7

8

9

11

and distribution of tobacco products, ensuring that consumers are fully informed of the associated health risks. These regulations require that cigarette packaging prominently display color graphics and warning statements illustrating the dangers of smoking. Warnings such as "WARNING: Tobacco smoke can harm your children" and "WARNING: Smoking causes fatal lung disease in nonsmokers" must occupy the top 50% of the front and rear panels of all cigarette packages. The law also mandates that these warnings be conspicuously placed, clearly visible beneath any clear wrapping, and accurately reproduced as approved by the FDA.

The Legislature finds that areca nut (commonly known as betel nut) contains a confirmed carcinogen, and its sale, packaging, and distribution should be subject to similar labeling and warning requirements as other carcinogenic consumer products, like tobacco. Yet, despite betel nut containing a known carcinogen, betel nut products sold in the CNMI currently lack any warning labels, leaving consumers uninformed about the serious health risks associated with its use.

This Act establishes mandatory labeling requirements for all betel nut products sold, distributed, or imported in the CNMI. It prohibits the sale of any betel nut product that does not display clear health warnings about the risks of arecoline, a known carcinogen. It requires that warning labels be directly placed on each betel nut package and retail container in a prominent, highly visible manner. To prevent desensitization and reinforce awareness of health risks, two distinct warning labels must be used on a rotating basis—one label during the first half of the year and the other during the second half. This semi-annual rotation ensures that consumers are consistently presented with differing warning designs. Additionally, this Act ties the issuance and renewal of the betel nut license established under 4 CMC § 51904 to businesses' compliance with these requirements. Last, it authorizes the CNMI Department of Commerce to regulate betel nut labeling and enforce the requirements established herein.

The Legislature recognizes that the implementation of labeling requirements may impose additional costs on retailers and importers. In response to these concerns, nonprofit organizations, such as the Commonwealth Cancer Association, have expressed support for this Act and have offered to print and provide the required labels to the Department of Commerce for distribution to licensees at no cost. The Commonwealth Cancer Association has further indicated that it would enter into a two-year agreement to supply these labels free of charge, acknowledging the financial burden that sticker production and placement may place on businesses. Their commitment ensures that compliance with this Act will not create an undue economic hardship on retailers and importers while still advancing public health objectives.

To track the effectiveness of the labeling requirements and to support any nonprofit organizations involved in this public health initiative, this Act requires retailers to track the number of betel nut products sold on a monthly basis. Retailers must maintain records of each betel nut product transaction and submit these records to the Department of Commerce by the 5th business day of each month. The Department will then use this data to identify gaps in label compliance and assess whether the labels have had their intended impact on consumer behavior. The reported information will also assist nonprofit organizations in determining how many labels should be created and donated to the Department. Last, this Act authorizes the Department of Commerce to share this information with the CNMI Department of Public Health and the Commonwealth Healthcare Corporation to help inform their public health policies and initiatives. All data submitted by retailers will be treated as confidential and used solely for the purposes outlined within this Act.

By implementing these labeling requirements, this Act ensures that consumers in the CNMI are fully informed about the significant health risks associated with betel nut use. Just as federal regulations mandate clear and conspicuous warnings for tobacco products, this Act establishes similar

protections for betel nut consumers, reinforcing public awareness and promoting informed decision-making. Through labeling standards, regulatory oversight, and enforcement mechanisms, this legislation aims to reduce public health risks and provide betel nut users with the same level of consumer protection that is extended to other similar carcinogenic products.

#### SECTION 2. AMENDMENT.

Section 51902 of Chapter 19, Division 5, Title 4 of the Commonwealth Code is hereby amended to read as follows:

## "§ 51902. Definitions.

For the purposes of this chapter:

- (a) "Areca nut" is the seed of the areca palm that is commonly referred to as betel nut.
- (b) "Betel nut product" refers to any packaged item intended for individual retail sale that contains, consists of, or is derived from the areca nut (areca catechu), whether in whole, processed, prepared, or mixed form, and is intended for human consumption or chewing. This includes, but is not limited to, betel nut sold in small plastic baggies or similar packaging commonly found in retail establishments. All such betel nut products must prominently display the applicable warning labels described in 4 CMC §§ 51915(b)(3)(i)–(ii).
- (c) "Betel nut container" refers to any box, carton, plastic basket, or similar packaging used to hold multiple individual betel nut products for retail display or storage. These containers are commonly used to transport

or store multiple bagged betel nut products and may be made of polystyrene foam (Styrofoam), cardboard, plastic, or other materials. All such containers must prominently display the applicable warning labels described in 4 CMC §§ 51915(b)(3)(iii)–(iv)."

#### SECTION 3. AMENDMENT.

Section 51915 of Chapter 19, Division 5, Title 4 of the Commonwealth Code is hereby amended to read as follows:

## "§ 51915. Conditions of Premises: Areca Nut (Betel Nut) Display; Labeling.

(a) Display and Access Requirements.

A person or business entity shall ensure that any areca nut (betel nut) are displayed in accordance with this section. Areca nut (betel nut) shall not be displayed openly or in any manner in any part of the business premises generally open to the public. Such packages or bags of areca nut (betel nut) shall be secured underneath or behind the cashier counter at the point of sale, which can only be accessed by the owner or an authorized agent (cashier) of the retail establishment upon the request from a person of legal age to purchase such item or product.

- (b) Labeling Requirements.
  - (1) General.
- (i) It shall be unlawful for any person to manufacture, package, sell, offer to sell, distribute, or import for sale or distribution within the

## HOUSE BILL 24-20

1	CNMI any betel nut product unless the packaging meets the labeling
2	requirements of this Section.
3	(2) Label Placement.
4	(i) Each label shall be prominently displayed directly on every
5	betel nut product and betel nut container.
6	(ii) Labels shall be placed in a manner that ensures they clearly
7	contrast with other printed material on the item.
8	(iii) Betel nut products must comply with the applicable warning
9	label requirements described in subsections (3)(i)–(ii) below.
10	(iv) Betel nut containers must comply with the applicable warning
11	label requirements described in subsections (3)(iii)–(iv) below.
12	(3) Label Design; Rotating Labels.
13	(i) From January 1 through June 30, all betel nut products must
14	display labels that meet the following requirements:
15	(A) The design is a circular shape with a diameter of at least
16	1.5 inches, featuring a black background with a dark red octagonal
17	outline resembling a stop sign behind the text with not more than
18	30% opacity and not less than 15% opacity.
19	(B) The design shall include a red triangle with a black
20	exclamation mark to signify caution. The following text shall be
21	centered within the circle, superimposed over the octagonal shape:
22	"WARNING: BETEL NUT CONTAINS ARECOLINE, KNOWN TO

1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18	1	
19		
20		
21		
22	I	

CAUSE: CANCER." The font used shall be Times New Roman with a font size of no less than 24.

- (C) Below the text described in the above subsection (b)(3)(i)(B), there shall be text stating the following: "\*MAY COMPLICATE PREGNANCY." The font used shall be Times New Roman, italicized, with a font size of no less than 9.4.
- (D) A black circular "18+" symbol shall be placed at the bottom of the design.
- (E) All text shall appear in white against a black, dark red, or dark gray background.
- (ii) From July 1 through December 31, all betel nut products must display labels that meet the following requirements:
  - (A) The design is a circular shape with a diameter of 1.5 inches, featuring a white background with red text stating "WARNING" written twice in large, red, curved text—one instance at the top and another at the bottom. The curved text shall use the Times New Roman font in red with a font size of no less than 43.6.
  - (B) The design shall include a red triangle with a black exclamation mark to signify caution, along with the following text: "BETEL NUT CONTAINS ARECOLINE, KNOWN TO CAUSE CANCER." The font used shall be Times New Roman with a font size of no less than 14. The text shall be black.

	1
	_
	2
	3
	_
	4
	4
	6
	7
	8
	•
	9
1	(
^	
1	1
	-
1	2
1	7
1	_
1	4
1	5
1	4
1	C
1	7
1	8
1	c
1	5
2	(
4	·

- (C) Below the text described in the above subsection (b)(3)(ii)(B), there shall be text stating the following: "DO NOT CHEW BETEL NUT IF YOU ARE PREGNANT." The font used shall be Times New Roman, italicized, with a font size of no less than 11. The text shall be black.
- (D) A black circular "18+" symbol shall be placed at the bottom of the design.
- (iii) All betel nut containers with a surface area of less than 50 square inches must display a label that meets the following requirements:
  - (A) The design is a rectangular shape measuring 5.5" x 8.5".
  - (B) The design features the word "WARNING" in bold, uppercase black text using the Times New Roman font at a size of at least 70, centered near the top of the label. A red triangle containing a black exclamation mark is positioned directly above the word "WARNING."
  - (C) Below the "WARNING" text, the label includes a red diamond symbol containing a white skull and crossbones graphic and a black circular "18+" symbol.
  - (D) Below these symbols, the following text is displayed in centered black Times New Roman font with a font size of no less

	1
	2
	3
	4
	5
	6
	7
	8
	9
1	0
1	1
1	2
1	3
1	4
1	5
1	6
1	7
1	8
1	9
2	0
2	1
2	2

than 29.5: "BETEL NUT CONTAINS ARECOLINE, KNOWN TO CAUSE: CANCER."

- (iv) All betel nut containers with a surface area of 50 square inches or more must display a label that meets the following requirements:
  - (A) The design is a rectangular shape measuring 8.5" x 11".
  - (B) The design features the word "WARNING" in bold, uppercase black text using the Times New Roman font at a size of at least 100, centered near the top of the label. A red triangle containing a black exclamation mark is positioned directly above the word "WARNING."
  - (C) Below the "WARNING" text, the label includes a red diamond symbol containing a white skull and crossbones graphic and a black circular "18+" symbol.
  - (D) Below these symbols, the following text is displayed in centered black Times New Roman font with a font size of not less than 45.1: "BETEL NUT CONTAINS ARECOLINE, KNOWN TO CAUSE: CANCER."
- (v) Notwithstanding the above label design requirements, the Department of Commerce may, through regulation, develop and implement alternative label designs of appropriate size and character to enhance consumer visibility and comprehension. Any adjustments

to font, type size, text, color, format, or any other design element shall ensure that the text remains clear, conspicuous, and legible. The design must include:

- (A) A black circular "18+" symbol.
- (B) A red triangle with a black exclamation mark to signify caution.
- (C) A clear notice of the health risks associated with using betel nut, including the increased risk of cancer and complications during pregnancy.
  - (D) A prominent display of the word "WARNING."
- (E) For betel nut products, the design must be circular with a diameter of no less than 1.5 inches.
- (F) For betel nut containers with a surface area of less than 50 square inches, the design must be rectangular with dimensions no smaller than 5.5" x 8.5".
- (G) For betel nut containers with a surface area of 50 square inches or more, the design must be rectangular with dimensions no smaller than 8.5" x 11".
- (c) Enforcement and Licensing.
- (1) Compliance with all display and labeling requirements of this Section is mandatory for the issuance and continued validity of a license to import or sell betel nut.

1 3

2

4

5

6

7 8

9

10

11 12

13

14

15

16

17

18

19

20

21

(2) Any violation of these requirements may result in suspension, revocation, or denial of the license established under this Chapter."

### SECTION 4. AMENDMENT.

Section 51920 of Chapter 19, Division 5, Title 4 of the Commonwealth Code is hereby amended to read as follows:

## "§ 51920. Adoption of Regulation.

The Department of Commerce shall have the authority to promulgate rules and regulations to implement and enforce this Chapter. These regulations may include, but are not limited to, reasonable application filing fees; specifications for required warning labels; procedures for compliance and enforcement; adjustments to label size, format, and design elements as long as they remain clear, conspicuous, and in compliance with 4 CMC § 51915(b)(3)(v); and any additional measures necessary to ensure the effective administration of this Chapter."

## SECTION 5. REPEAL AND RE-ENACTMENT.

Section 51921 of Chapter 19, Division 5, Title 4 of the Commonwealth Code is hereby repealed and re-enacted to read as follows:

## "§ 51921. Public-Private Cooperation; Nonprofit Assistance.

(a) The Department of Commerce is authorized to enter into agreements with nonprofit organizations for the purpose of receiving financial assistance or in-kind contributions, including the provision of

required warning labels, to support the implementation and enforcement of this Chapter.

- (b) Any agreement regarding the provision of labels that is entered into pursuant to this Section shall ensure that:
  - (1) The labels provided meet the requirements set forth in 4 CMC § 51915(b)(3);
  - (2) The distribution of labels is conducted in a manner that supports compliance among affected businesses; and
  - (3) The assistance received does not create any financial obligation for the Commonwealth."

## SECTION 6. ENACTMENT.

Section 51922 of Chapter 19, Division 5, Title 4 of the Commonwealth Code is hereby enacted to read as follows:

## "§ 51922. Retailer Reporting and Tracking Requirements.

(a) Retailers of betel nut products are required to both track the number of betel nut products sold on a monthly basis and provide that information to the Department of Commerce in the form of monthly sales reports. These reports must include, at a minimum, the total number of betel nut products sold during the reporting period, as well as a general description of the types of betel nut products sold, including an estimate of the number of betel nuts per product. If the retailer sells multiple sizes of betel nut products, they must provide an estimate of the average number of

betel nuts in each product type (e.g., small baggie, large baggie) and report how many of each type of package was sold. The reports must be submitted no later than the 5th business day of each month for the previous month's sales.

- (b) The Department of Commerce shall utilize the sales data to assess the effectiveness of the warning labels in influencing consumer behavior, to evaluate trends in betel nut product sales, and to provide information to nonprofits in regard to the number of labels needed for distribution. The data collected pursuant to this Section may be shared with the CNMI Department of Public Health and the Commonwealth Healthcare Corporation in order to assist in the development and implementation of public health policies and initiatives.
- (c) All sales data provided to the Department of Commerce shall be treated as confidential and used solely for the purposes outlined in this Section. The Department of Commerce shall implement necessary measures to ensure the security and privacy of data.
- (d) Compliance with all reporting and tracking requirements of this Section is mandatory for the issuance and continued validity of a license to import or sell betel nut. Any violation of these requirements may result in suspension, revocation, or denial of the license established under this Chapter."

#### SECTION 7. EXAMPLE LABELS.

All betel nut product and container labels required under this Act shall substantially conform to the example designs below. These examples are not to scale and do not depict the exact font size or design dimensions. Instead, these examples illustrate the intended design elements, such as a black background with a dark red octagonal outline resembling a stop sign, in accordance with the requirements established within this Act.

Example of label meeting 4 CMC § 51915(b)(3)(i) requirements:



Example of label meeting 4 CMC § 51915(b)(3)(ii) requirements:

1

2



# BETEL NUT CONTAINS ARECOLINE, KNOWN TO CAUSE: CANCER

DO NOT CHEW BETEL NUT IF YOU ARE PREGNANT.



Example of label meeting 4 CMC §§ 51915(b)(3)(iii)–(iv) requirements:



BETEL NUT CONTAINS
ARECOLINE, KNOWN TO
CAUSE: CANCER

## 

## 

## 

## 

## 

#### 

## 

## 

## 

## 

## 

## 

#### 

SECTION 8. SEVERABILITY.

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

## SECTION 9. SAVINGS CLAUSE.

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

1

2

3

45

6

SECTION 10. EFFECTIVE DATE.

This Act shall take effect upon its approval by the Governor or it becoming law without such approval. However, labeling requirements established under this Act, including 4 CMC §§ 51915(b)–(c), as amended, shall not be enforced until October 1, 2025, to provide affected businesses with a reasonable period for compliance.

Attested to by:

Linda B. Muña, House Clerk

Certified by:

SPEAKER EDMUND S. VILLAGOMEZ

House of Representatives

24<sup>th</sup> Northern Marianas Commonwealth Legislature

Approved

this

day of

2024

ARNOLD I. PALACIOS

Governor

Commonwealth of the Northern Mariana Islands