

TWENTY-FOURTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

First Regular SESSION, 2025

S.B. NO. 24- 02

A BILL FOR AN ACT

To improve the food security of the CNMI by amending 4 CMC §§ 8182 and 8183 to establish agricultural water usage rates for commercial farmers, commercial ranchers, and livestock producers; and for other purposes.

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

1           **Section 1. Findings and Purpose.** The Legislature finds that Public Law 13-40,  
2   codified at 1 CMC § 8181 *et seq.*, became law on December 17, 2002. However, the  
3   Commonwealth Utilities Corporation (CUC) failed to implement the law and establish the  
4   special agricultural water usage rates for commercial farmers, commercial ranchers, and  
5   livestock producers. The Legislature finds that Public Law 13-40 was enacted to address  
6   the CNMI's high dependence on imported products which invariably increases the market  
7   value of the imported goods. The intent of the Public Law 13-40 was to provide new  
8   incentives to encourage continued farming of produce and the raising of livestock, which  
9   are in the best interest of the CNMI and to stimulate the CNMI's commercial farm product  
10   and livestock industry. Lowering water rates for farmers, commercial ranchers, and  
11   livestock producers would provide an incentive to increase the production of farm goods  
12   and livestock. The Legislature finds that the intent of Public Law 13-40 still holds true today  
13   more than 20 years after its enactment.

14           The Legislature further finds that countries all around the world, the United States,  
15   and the CNMI are currently experiencing food security issues. Based on the 1996 World  
16   Food Summit, food security is defined when all people, at all times, have physical and  
17   economic access to sufficient safe and nutritious food that meets their dietary needs and  
18   food preferences for an active and healthy life. During the covid pandemic and afterwards,  
19   the CNMI experienced a shortage of various food products like eggs, vegetables, fish,  
20   chicken, pork and beef at different times. Accordingly, it is imperative for the CNMI to

support and assist its farmers, commercial ranchers, and livestock producers grow more locally grown agricultural food products to sustain the CNMI'S daily food and nutrition requirements and possibly export such products to other islands and communities that are experiencing food shortages as well. One way to support commercial farmers, commercial ranchers, and livestock producers is to establish special agricultural water usage rates to make it more affordable for such farmers and ranchers to grow and expand their produce and livestock production. Therefore, the purpose of this legislation is to improve the food security of the CNMI by amending 4 CMC §§ 8182 and 8183 to establish agricultural water usage rates for commercial farmers, commercial ranchers, and livestock producers.

**Section 2. Amendment.** 4 CMC §§ 8182 and 8183 are hereby amended to read as follows:

**“§ 8182. Special Water Rates.**

Notwithstanding any law to the contrary, there shall be ~~The Commonwealth Utility Corporation is hereby authorized to set~~ agricultural water usage rates for commercial farmers, ~~and commercial ranchers, and livestock producers~~ at the rate of twenty five cents per one thousand U.S. gallons of water in areas where there is twenty-four hour water available or a flat rate of twenty five dollars per month in areas where twenty-four hour water is not available. The special water rates shall apply to qualified commercial farmers, ~~or commercial ranchers, or livestock producers~~ upon proof that the applicant has a current business license for commercial farming or ranching and upon proof that he or she is in compliance with the business gross revenue tax filing requirements.

**§ 8183. Rules and Regulations.**

The Commonwealth Utilities Corporations shall ~~is authorized to~~ promulgate rules and regulations ~~as may be necessary to implement the provisions of this Act and establish the agricultural water usage rates pursuant to 4 CMC § 8182 within 90 days after the effective date of this Act.~~

**Section 3. Severability.** If any provision 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 4. 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 this Act shall not have the effect of terminating, or in any way modifying, any liability civil or criminal, which shall already be in existence at the date this Act becomes effective.

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

Date:

1/15/2025

Introduced By:



Senator Jude U. Hofschneider

Reviewed for Legal Sufficiency by:



Senate Legal Counsel