



COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS

Ralph DLG. Torres
Governor

Victor B. Hocog
Lieutenant Governor

FEB 18 2016

Honorable Rafael S. Demapan
Speaker, House of Representatives
Nineteenth Northern Marianas
Commonwealth Legislature
Saipan, MP 96950

Honorable Francisco M. Borja
Senate President, The Senate
Nineteenth 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. 19-137, HD1, SD1, entitled, "To amend 4 CMC § 1803, Distribution of Revenues Marianas Visitor Authority and the Retirement Fund and to repeal 1 CMC § 8365, Tax Revenue; and to make the Act apply retroactively; and for other purposes", which was passed by the House of Representatives and the Senate of the Nineteenth Northern Marianas Commonwealth Legislature.

This bill becomes **Public Law No. 19-36**. Copies bearing my signature are forwarded for your reference.

Sincerely,


VICTOR B. HOCOG
Acting Governor

cc: Governor; Attorney General's Office; Special Assistant for Administration; Special Assistant for Programs and Legislative Review; All Branches, Municipalities, Departments & Agencies



House of Representatives

19th NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

P.O. BOX 500586
SAIPAN, MP 96950

February 18, 2016

The Honorable Victor B. Hocog
Acting Governor
Commonwealth of the Northern
Mariana Islands
Capitol Hill
Saipan, MP 96950

Dear Acting Governor Hocog:

I have the honor of transmitting herewith for your action **H. B. No. 19-137, HD1, SD1**, entitled: "To amend 4 CMC § 1803, Distribution of Revenues Marianas Visitor Authority and the Retirement Fund and to repeal 1 CMC § 8365, Tax Revenue; and to make the Act apply retroactively; and for other purposes.", which was passed by the House of Representatives and the Senate of the Nineteenth Northern Marianas Commonwealth Legislature.

Sincerely yours,



Linda B. Muña
House Clerk

Attachment



*Nineteenth Legislature
of the
Commonwealth of the Northern Mariana Islands*
IN THE HOUSE OF REPRESENTATIVES

Third Regular Session

February 17, 2016

Representative Antonio P. Sablan, of Saipan, Precinct 1 (*for himself*, Representatives George N. Camacho, Joseph P. Deleon Guerrero, Angel A. Demapan, Felicidad T. Ogumoro, John Paul P. Sablan, and Francis S. Taimanao,) in an open and public meeting with an opportunity for the public to comment, introduced the following Bill:

H. B. No. 19-137, HD1, SD1

AN ACT

**TO AMEND 4 CMC § 1803, DISTRIBUTION OF REVENUES
MARIANAS VISITOR AUTHORITY AND THE RETIREMENT
FUND AND TO REPEAL 1 CMC § 8365, TAX REVENUE; AND TO
MAKE THE ACT APPLY RETROACTIVELY; AND FOR OTHER
PURPOSES.**

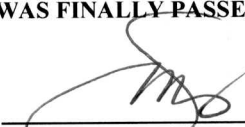
The Bill was not referred to a House Committee.

**THE BILL WAS PASSED BY THE HOUSE OF REPRESENTATIVES ON
FIRST AND FINAL READING, FEBRUARY 17, 2016;**
with amendments in the form of H. B. 19-137, HD1 and transmitted to the
THE SENATE.

The Bill was not referred to a Senate Committee.
THE BILL WAS PASSED BY THE SENATE ON FIRST AND FINAL READING, FEBRUARY 17, 2016;
with amendments in the form of H. B. 19-137, HD1, SD1; *and was returned to*
THE HOUSE OF REPRESENTATIVES.

The House of Representatives accepted the Senate amendments and passed H. B. 137, HD1, SD1 during its Emergency Session, Third Regular Session on February 18, 2016.

THE BILL WAS FINALLY PASSED ON FEBRUARY 18, 2016.



Linda B. Muña, House Clerk



Nineteenth Legislature
of the
Commonwealth of the Northern Mariana Islands
IN THE HOUSE OF REPRESENTATIVES

Third Regular Session

February 18, 2016

H. B. No. 19-137, HD1, SD1

AN ACT

TO AMEND 4 CMC § 1803, DISTRIBUTION OF REVENUES MARIANAS VISITOR AUTHORITY AND THE RETIREMENT FUND AND TO REPEAL 1 CMC § 8365, TAX REVENUE; AND TO MAKE THE ACT APPLY RETROACTIVELY; AND FOR OTHER PURPOSES.

Be it enacted by the Nineteenth Northern Marianas Commonwealth Legislature:

1 **Section 1. Findings and Purposes.** The Legislature finds that legislation is needed
2 to clarify that taxes allocated to the Northern Mariana Islands Retirement Fund may be used
3 to fund the 25% pension payments for retirees. Current law allocates 20% of taxes collected
4 under 4 CMC § 1502 and 30% of taxes collected under 4 CMC §1405(b) to the Fund, and
5 provides that it may be used to fund certain benefit increases provided under
6 Public Law No. 8-31. After funding those benefits, the taxes may be applied to any unfunded
7 obligation the Commonwealth has to the Fund. This Act amends current law to specify that
8 taxes allocated to the Fund may be expended to fund retirees' 25% pension payments.

9 This Act is intended to cure any ambiguities that there may be with regard to the
10 Secretary of Finance's authority to apply taxes due to the Fund to fund the 25% pension
11 payments. To ensure that the law is consistent with the Legislature's intent to allow the taxes

HOUSE BILL 19-137, HD1, SD1

1 to be used for this purpose, the Legislature specifically finds that retroactive application of
2 this Act is necessary and appropriate.

3 **Section 2. Amendment.** 4 CMC § 1803 is amended to read as follows:

4 “The Marianas Visitors Authority shall receive twenty percent of the taxes
5 collected under 4 CMC § 1405(b) and eighty percent of the taxes collected under
6 4 CMC § 1502. Twenty percent of the taxes collected under 4 CMC § 1502 and thirty
7 percent of the taxes collected under 4 CMC § 1405(b) shall be allotted and paid to the
8 Northern Mariana Islands Retirement Fund. Notwithstanding 1 CMC §7401, the
9 Secretary of Finance may expend tax revenues allotted and paid to the Northern
10 Mariana Islands Retirement Fund without appropriation to fund the operations and
11 obligations of the fund, and/or the 25% pension payments to retirees, without regard
12 to whether or not they are members of the Settlement Fund.”

13 **Section 3. Repeal.** 1 CMC § 8365 is hereby repealed in its entirety.

14 **Section 4. Retroactive Application.** This Act shall apply retroactively to September
15 30, 2015. Any expenditures made from the taxes allotted to the Northern Mariana Islands
16 Retirement Fund for the 25% pension payments to retirees are hereby ratified.

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

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

HOUSE BILL 19-137, HD1, SD1


1 **Section 7. Effective Date.** This Act shall take effect upon its approval by the
2 Governor, or its becoming law without such approval.

Attested to by:



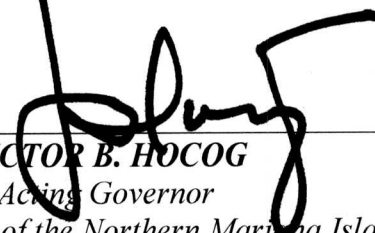
Linda B. Muña, House Clerk

Certified by:



SPEAKER RAFAEL S. DEMAPAN
House of Representatives
19th Northern Marianas Commonwealth Legislature

APPROVED this **18th** day of **February**, 2016



VICTOR B. HOCOG
Acting Governor
Commonwealth of the Northern Mariana Islands