



**RALPH DLG. TORRES**  
Governor

**VICTOR B. HOCOG**  
Lieutenant Governor

COMMONWEALTH of the NORTHERN MARIANA ISLANDS  
**OFFICE OF THE GOVERNOR**

**15 DEC 2017**

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

The Honorable Arnold I. Palacios  
Senate President, The Senate  
Twentieth 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. 20-10, SD1, entitled, "To establish the Settlement Fund Revolving Fund Account and the Bond Payment Revolving Fund Account; and for other purposes", which was passed by the House of Representatives and the Senate of the Twentieth Northern Marianas Commonwealth Legislature.

This bill becomes **Public Law No. 20-33**. Copies bearing my signature are forwarded for your reference.

Sincerely,



**VICTOR B. HOCOG**  
Acting Governor

cc: Governor; Press Secretary; Attorney General's Office; Secretary, Department of Finance; NMI District Court; Public Auditor; Special Assistant for Administration; Special Assistant for Programs and Legislative Review



# *House of Representatives*

20<sup>th</sup> NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

P.O. BOX 500586  
SAIPAN, MP 96950

December 5, 2017

The Honorable Ralph DLG. Torres  
Governor  
Commonwealth of the Northern  
Mariana Islands  
Capitol Hill  
Saipan, MP 96950

Dear Governor Torres:

I have the honor of transmitting herewith for your action **H. B. No. 20-10, SD1**, entitled: "To establish the Settlement Fund Revolving Fund Account and the Bond Payment Revolving Fund Account; and for other purposes.", which was passed by the House of Representatives and the Senate of the Twentieth Northern Marianas Commonwealth Legislature.

Sincerely yours,



Linda B. Muña  
House Clerk

Attachment



*Twentieth Legislature  
of the  
Commonwealth of the Northern Mariana Islands*

**IN THE HOUSE OF REPRESENTATIVES**

**First Regular Session**

**January 31, 2017**

REPRESENTATIVE ANGEL A. DEMAPAN of Saipan, Precinct 1 (*for himself*;) in an open and public meeting with an opportunity for the public to comment, introduced the following Bill:

**H. B. No. 20-10, SD1**

**AN ACT**

**TO ESTABLISH THE SETTLEMENT FUND REVOLVING FUND ACCOUNT AND THE BOND PAYMENT REVOLVING FUND ACCOUNT; AND FOR OTHER PURPOSES.**

The Bill was referred to the House Committee on Ways and Means, which submitted Standing Committee Report 20-30; adopted 6/27/17.

**THE BILL WAS PASSED BY THE HOUSE OF REPRESENTATIVES ON  
FIRST AND FINAL READING, JUNE 27, 2017;**  
*without amendments* and transmitted to the  
**THE SENATE.**

The Bill was referred to the Senate Committee on Fiscal Affairs, which submitted Standing Committee Report 20-57; adopted 10/25/17.  
**THE BILL WAS PASSED BY THE SENATE ON FIRST AND FINAL READING, OCTOBER 25, 2017;**  
*with amendments* in the form of H. B. No. 20-10, SD1.

**H. B. NO. 20-10, SD1 WAS RETURNED TO THE HOUSE OF REPRESENTATIVES ON OCTOBER 26, 2017.**

The House of Representatives accepted the Senate amendments and passed H. B. No. 20-10, SD1, during its 10th Day, Second Regular Session on November 29, 2017.

**THE BILL WAS FINALLY PASSED ON NOVEMBER 29, 2017.**

  
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**Linda B. Muña, House Clerk**



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

TENTH DAY, SECOND REGULAR SESSION

NOVEMBER 29, 2017

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**H. B. NO. 20-10, SD1**

**AN ACT**

**TO ESTABLISH THE SETTLEMENT FUND REVOLVING FUND ACCOUNT AND THE BOND PAYMENT REVOLVING FUND ACCOUNT; AND FOR OTHER PURPOSES.**

**Be it enacted by the Twentieth Northern Marianas Commonwealth Legislature:**

1           **Section 1. Findings and Purpose.** The Commonwealth Legislature finds that the  
2 Settlement Agreement in the NMI District Court Case 1:09-cv-00023 details that after  
3 fiscal year 2015, the CNMI has agreed to make minimum annual payments to the Settlement  
4 Fund sufficient to enable the Settlement Fund to pay 75% of Class Members' Full Benefits.  
5 If the CNMI fails to make its annual payments, the Court may enforce a Consent Judgment  
6 for the full amount of money the CNMI owes the Class Members.

7           The Commonwealth Legislature further finds it reasonable and appropriate to  
8 establish a special fund specifically for this purpose and to reserve a specified amount in  
9 Business Gross Revenue Tax to be deposited into the special fund to ensure and protect  
10 future payments to the CNMI Retirees.

11           The Commonwealth Legislature further finds that it is reasonable and appropriate to  
12 establish a special fund account for the annual bond payments of the Commonwealth  
13 government. A Bond Payment Revolving Fund Account will ensure that the required bond

HOUSE BILL 20-10, SD1

1 payment amounts will be set aside for payment each fiscal year. Therefore, the purpose of  
2 this Act is to earmark and deposit certain revenues collected pursuant to 4 CMC § 1301 into  
3 the Settlement Fund Revolving Fund Account and the Bond Payment Revolving Fund  
4 Account.

5 **Section 2. Enactment.** Subject to codification by the Commonwealth Law Revision  
6 Commission, the following shall be enacted:

7 **§ 101. The Establishment of the Settlement Fund Revolving Fund**  
8 **Account.**

9 (a) There is hereby established within the Commonwealth Treasury a  
10 Settlement Fund Revolving Fund Account which shall be accounted for separately  
11 from the General Fund. Funds deposited into the account shall be exclusively used to  
12 pay the minimum annual payment pursuant to the Final Amended Stipulation and  
13 Settlement Agreement in the NMI District Court Case 1:09-cv-00023.

14 (b) Revenue generated by 4 CMC § 1301 shall first be deposited each fiscal  
15 year in the amount detailed below into the Settlement Fund Revolving Fund Account.

16	2018	\$45,000,000.00
17	2019	\$44,000,000.00
18	2020	\$43,000,000.00
19	2021	\$42,000,000.00
20	2022	\$41,000,000.00
21	2023	\$40,000,000.00
22	2024	\$39,000,000.00

23 (c) The expenditure authority over the revolving fund is vested in the  
24 Secretary of the Department of Finance. Revolving fund monies shall be available for  
25 expenditure without further appropriation and without fiscal year limitations.

26 **§ 102. The Establishment of the Bond Payment Revolving Fund Account.**

27 (a) There is hereby established within the Commonwealth Treasury a Bond  
28 Payment Revolving Fund Account which shall be accounted for separately from the  
29 General Fund. Funds deposited into the account shall be exclusively used to pay the

HOUSE BILL 20-10,SD1

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1 annual payment of \$5,151,500.00 for the 2007A Bond and \$3,331,375.00 for the  
2 2007B Bond or the amount specifically enumerated in the bond payment schedule.

3 (b) Subject to the provisions set forth in § 101, revenue generated by  
4 4 CMC § 1301 shall be deposited each fiscal year in the amount detailed in subsection  
5 (a) into the Bond Payment Revolving Fund Account.

6 (c) The expenditure authority over the Bond Payment Revolving Fund is  
7 vested in the Secretary of the Department of Finance. Revolving fund monies shall be  
8 available for expenditure without further appropriation and without fiscal year  
9 limitations.”

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

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

**HOUSE BILL 20-10,SD1**

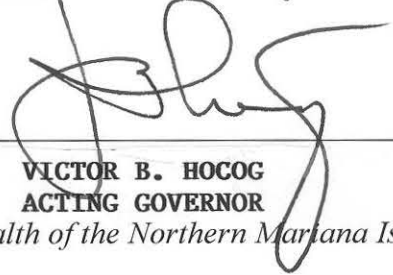
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**Section 5. Effective Date.** This Act shall take effect upon its approval by the Governor, or its becoming law without such approval.

Attested to by:   
**Linda B. Muña, House Clerk**

Certified by:   
**SPEAKER RAFAEL S. DEMAPAN**  
House of Representatives  
20<sup>th</sup> Northern Marianas Commonwealth Legislature

Approved this 15<sup>th</sup> day of December, 2017

  
**VICTOR B. HOCOG**  
**ACTING GOVERNOR**  
Commonwealth of the Northern Mariana Islands