

Twentieth Northern Marianas Commonwealth Legislature

IN THE HOUSE OF REPRESENTATIVES

Session, 2017

H. B. 20- 15

A BILL FOR AN ACT

To amend 4 CMC §2308 by adding new subsection covering Department of Public Safety, Department of Fire and Emergency Medical Services, Northern Marianas College, Northern Marianas Trades Institute, CNMI Drug Court, and establishing a special account.

**BE IT ENACTED BY THE TWENTIETH NORTHERN MARIANAS
COMMONWEALTH LEGISLATURE:**

1 **Section 1. Findings** The Legislature finds that the Department of Public
2 Safety (DPS) and the Department of Fire and Emergency Medical Services
3 (DFEMS) are providing essential services to the Commonwealth; such as in
4 public safety, properties, natural disaster, saving lives, and more. And with the
5 growing population of the Commonwealth, businesses, and construction of high
6 rise buildings (hotels and casinos), these law enforcement authorities will be
7 required to be prepared with modern equipment, tools, and more manpower to be
8 able to perform and respond to their increasing responsibilities.

9 The Legislature further finds that the Northern Marianas College (NMC)
10 and the Northern Marianas Trades Institute (NMTI) are amongst the vital
11 workforce development and training institutions that need additional financial

1 support. NMC and NMTI are imperative establishments where an individual can
2 expand on their intellect, improve their trade skills, and invest in a better and
3 brighter future. In essence, our learning institutions will be able to expand on
4 worthwhile training and academic opportunities for our local workforce through
5 the additional funding.

6 The Legislature also finds that it is imperative to support the CNMI Drug
7 Court's efforts to rehabilitate and treat individuals with drug addiction, and to
8 provide for a safer and more peaceful atmosphere in the CNMI. The Drug Court is
9 in need of additional funding to cover the costs associated with expert and
10 specialized treatment services for its participants.

11 Amending 4 CMC §2308, adding new subsections for the DPS, DFEMS,
12 NMC, NMTI and the CNMI Drug Court will provide needed funds for these
13 entities to operate and perform such purposes efficiently.

14 This Act also reserves a total of \$15,000,000.00 of the Casino Gross
15 Revenue Tax. The Casino Act provided that the initial license fee payment would
16 cover the first and fifth years' license fees. As a result, there will be no casino
17 license fee in the fifth year, \$7,500,000.00 is to be appropriated under
18 4 CMC §2308 for the years 2017 and 2018 for use in 2018 to compensate for the
19 absence of the payment of the Casino License fee.

20 In addition, a special account is established for the funds covered by 4
21 CMC §2308.

22 **Section 2. Amendments.** 4 CMC §2308 is hereby amended as follow:

1 **“§ 2308. Disposition of Gross Revenue Tax.**

2 (a) The Secretary of Finance shall establish a Casino Gross
3 Revenue Tax (GRT) Account separate from the general fund. The funds
4 in the Casino GRT Account shall not lapse and are not subject to fiscal
5 year limitations. In addition, the Secretary of Finance shall keep a record
6 of the Casino GRT funds allocated pursuant to subsections (a) and (b) of
7 this section. Notwithstanding 4 CMC §§ 1802 and 1804 or any other laws,
8 gross revenue tax generated from a the license holder under this chapter
9 ~~are Commonwealth funds~~ shall be deposited in the Casino GRT Account
10 and shall be appropriated by the Legislature for the following purposes:

11 (a1) For the Fuel Adjustment Charge (FAC), formerly called
12 the Levelized Energy Adjustment Clause (LEAC), Rate Subsidy
13 Account. The Secretary of Finance shall establish a FAC LEAC Rate
14 Subsidy Account. A portion of the gross revenue tax generated from a
15 casino licensed under this chapter shall be deposited in this account
16 shall be used primarily to subsidize the FAC LEAC Rate that would
17 otherwise be passed on to utility customers;

18 (b2) For the Commonwealth Healthcare Corporation;

19 (e3) For the Medical Referral Program;

20 (d4) For the payment of land compensation judgments; ~~and~~

21 (e5) Public School System;

22 (6) Department of Public Safety;

1 (7) Department of Fire and Emergency Medical Services;

2 (8) Northern Marianas College;

3 (9) Northern Marianas Trades Institute;

4 (10) CNMI Drug Court.

5 (b) \$7,500,000.00 of the funds in the Casino GRT Account each of
6 the years 2017 and 2018 shall be reserved and placed in a special
7 subaccount for expenditure in 2018 for the purposes set forth in
8 4 CMC §2307.”

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

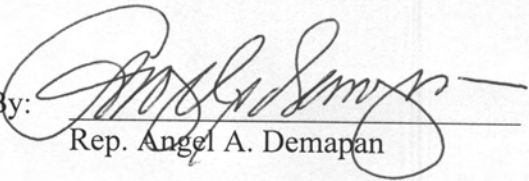
14 **Section 4. Savings Clause.** This Act and any repealer contained herein
15 shall not be construed as affecting any existing right acquired under contract or
16 acquired under statutes repealed or under any rule, regulation or order adopted
17 under the statutes. Repealers contained in this Act shall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

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

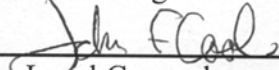
Prefiled: 1/18/17

Date: 1/18/17

Introduced By: _____


Rep. Angel A. Demapan

Reviewed for Legal Sufficiency by:



House Legal Counsel