



COPY

THE SENATE
Twenty-Fourth Northern Marianas Commonwealth Legislature
P. O. Box 500129
Saipan, MP 96950

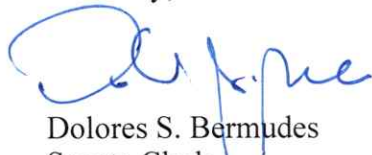
March 03, 2025

The Honorable Edmund S. Villagomez
Speaker
House of Representatives
24th Northern Marianas Commonwealth Legislature
Saipan, MP 96950

Dear Speaker Villagomez:

I have the honor of transmitting for your House action **Senate Bill No. 24-16, SD1**, entitled, "To promote trade and investment economic development and diversification in the CNMI; to encourage foreign and domestic investments through incentives and streamlined processes, as well as to promote the CNMI as a trade and investment hub; and for other purposes." The Senate passed S.B. No. 24-16, SD1 by unanimous voice vote, in its 3rd Day, First Regular Session on February 28, 2025.


Sincerely,



Dolores S. Bermudes
Senate Clerk

Attachment

Transmitted to HOUSE:

Received by:  Date: 3/3/2025 Time: 1:47p

TWENTY-FOURTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

FIRST REGULAR SESSION, 2025

S. B. NO. 24-16, SD1

A BILL FOR AN ACT

To promote trade and investment economic development and diversification in the CNMI; to encourage foreign and domestic investments through incentives and streamlined processes, as well as to promote the CNMI as a trade and investment hub; and for other purposes.

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

1 **Section 1. Short Title.** This Act may be cited as the “CNMI Foreign
2 Corporation Promotion Act of 2025.”

3 **Section 2. Findings and Purpose.** The Legislature finds that the Commonwealth
4 of the Northern Mariana Islands (CNMI) has the potential to authorize foreign
5 corporations to do business and pay taxes in the Commonwealth and, in so doing, to
6 become a trade and investment hub in the Western Pacific region. Although Public Law
7 14-67 established the Office of Foreign Investment Assistance within the Department of
8 Commerce in May of 2005, the transition from the CNMI permit system to US
9 immigration laws, completed in 2014, has rendered the office irrelevant. With the
10 COVID-19 pandemic changing the world order and economies, it is necessary to revamp
11 the purpose and mandate of the Office of Foreign Investment Assistance, which shall be
12 renamed as the “Office of Foreign Corporation Liaison”.

13 Accordingly, it is the purpose of this Act to promote economic development and
14 diversification in the CNMI by providing incentives, streamlining business formation,
15 registration, and licensing processes, and enhancing the CNMI's attractiveness as a
16 destination for trade and investment.

17 **Section 3. Repealer and Reenactment.** Title 1, Division 2, Part 1,
18 Chapter 9, Article 4 of the Commonwealth Code is hereby repealed and reenacted to read
19 as follows:

1 **“Article 4. Foreign Corporation Liaison.**

2 **§ 2494. Office of Foreign Corporation Liaison.**

3 There is hereby established within the Department of Commerce an Office of
4 Foreign Corporation Liaison, which shall be headed by a director appointed by the
5 Secretary of the Department of Commerce. The director shall hire staff and personnel as
6 reasonably necessary to carry out the functions of the office as provided under this
7 article.

8 **§ 2495. Office of Foreign Corporation Liaison; Duties and Responsibilities.**

9 (a) Primary Responsibility. The Office of Foreign Corporation Liaison through
10 the director shall be principally responsible for assisting any foreign or domestic investor
11 in obtaining all the requisite permitting and licensing requirements of the various
12 government departments and agencies in an expedient manner.

13 (b) The services provided by the office shall include, but not be limited to,
14 assistance in obtaining information and documents from government departments and
15 agencies, assistance in filling out applications for government permits and licenses and
16 other government requirements, routing of applications through the government
17 departments and agencies on behalf of the foreign corporation, monitoring of the progress
18 of applications for permits and licenses on behalf of the businesses, and prompt
19 coordination with departments, agencies, and public corporations and other governmental
20 entities, including, but not limited to, permitting and licensing departments and agencies,
21 on any additional documentary support required of the business.

22 (c) Rulemaking authority. The Secretary of the Department of Commerce shall
23 have rulemaking authority to prescribe reasonably necessary rules and regulations to
24 carry out the mandate and intent of this Act.

25 **§ 2496. Investment Incentives.**

26 (a) The Office of Foreign Corporation Liaison shall propose a comprehensive
27 package of financial and non-financial incentives to encourage foreign and domestic
28 investments in the CNMI. These incentives may include tax credits, exemptions or
29 reductions, grants, and other forms of financial assistance.

1 (b) The incentives shall be designed to promote investment in key sectors such as
2 tourism, manufacturing, agriculture, renewable energy, technology, and other industries
3 that can contribute to the economic development of the CNMI.

4 **§ 2497. Streamlined Investment Processes.**

5 (a) The Office of Foreign Corporation Liaison shall coordinate with other
6 government offices and agencies to streamline investment processes, including business
7 registration, permitting, and licensing, to make it easier and more efficient for investors to
8 establish and operate businesses in the CNMI.

9 (b) The office shall be the designated agency to serve as a one-stop shop for
10 investors, providing information, guidance, and assistance; throughout the investment
11 process.

12 (c) Interdepartmental agreements. The Office of Foreign Corporation Liaison,
13 through the Secretary of the Department of Commerce, may enter into agreements with
14 other departments, agencies, public corporations, and other governmental entities to
15 establish procedures for expediting the dissemination of information for foreign and
16 domestic businesses and the processing of any application for permit or license or any
17 other governmental service.

18 (d) Private sector coordination. The Office of Foreign Corporation Liaison shall
19 coordinate with the private industry within the CNMI, including banking and financial
20 services, insurance, telecommunications, energy, and real estate industries to ensure that
21 the infrastructure, necessary for foreign corporations to domicile and source revenue in
22 CNMI, is robust and attractive to foreign corporations seeking to do business in CNMI.

23 **§ 2498. Promotion of the CNMI as a Trade and Investment Hub.**

24 (a) The Office of Foreign Corporation Liaison, in collaboration with relevant
25 agencies and organizations, shall develop and implement a comprehensive marketing and
26 promotional strategy to position the CNMI as a trade and investment hub in the Western
27 Pacific region.

28 (b) Efforts shall include, but shall not be limited to participating in trade shows,
29 organizing investment forums and roadshows, and leveraging digital marketing and

1 media to showcase the CNMI's investment opportunities and business-friendly
2 environment.

3 **§ 2499. Reporting and Evaluation.**

4 The Office of Foreign Corporation Liaison shall provide an annual report
5 commencing on December 31, 2025 to the CNMI Legislature on the implementation and
6 impact of the incentives, streamlined processes, and promotional activities, including an
7 assessment of their effectiveness in attracting investment and promoting economic
8 growth."

9 **§ 2500. Director Hiring and Qualifications.**

10 Within ~~60~~ 90 days of the effective date of this Act, the Secretary of the
11 Department of Commerce shall cause to be hired the director of the Office of Foreign
12 Corporation Liaison Director.

13 The Secretary of the Department of Commerce shall not cause to be hired, as
14 director of the Office of Foreign Corporation Liaison, any person who does not meet the
15 following minimum qualifications:

16 (1) A bachelor's or equivalent degree in business, marketing, economics or
17 related field and 5 years of related professional private-industry experience; or

18 (2) 10 years of professional private-industry experience in business,
19 marketing, economics, or related fields."

20 **Section 4. Severability.** If any provision of this Act or the application of any
21 such provision to any person or circumstance should be held invalid by a court of
22 competent jurisdiction, the remainder of this Act or the application of its provisions to
23 persons or circumstances other than those to which it is held invalid shall not be affected
24 thereby.

25 **Section 5. Savings Clause.** This Act and any repealer contained herein shall not
26 be construed as affecting any existing right acquired under contract or acquired under
27 statutes repealed or under any rule, regulation, or order adopted under the statutes.
28 Repealers contained in this Act shall not affect any proceeding instituted under or
29 pursuant to prior law. The enactment of the Act shall not have the effect of terminating,

1 or in any way modifying, any liability, civil or criminal, which shall already be in
2 existence on the date this Act becomes effective.

3 **Section 6. Effective Date.** This Act shall take effect upon its approval by the
4 Governor or becoming law without such approval.

Prefiled:

Date: 02/10/25

Introduced By: /s/ _____
Sen. Corina L. Magofna

Reviewed for Legal Sufficiency by:

/s/ Antonette R. Villagomez _____
Senate Legal Counsel