



HOUSE OF REPRESENTATIVES
TWENTY-FOURTH NORTHERN MARIANAS COMMONWEALTH
LEGISLATURE

Vice Speaker Jesus P. Mafnas Memorial Building
Capitol Hill
Saipan, MP 96950
cnmileg.net

July 15, 2025


HOUSE
FILE

The Honorable Dennis C. Mendiola
President
The Senate
Twenty-Fourth Northern Marianas
Commonwealth Legislature
Capitol Hill
Saipan, MP 96950

Dear Senate President Mendiola:

I have the honor of transmitting herewith for Senate *action* **H. B. No. 24-13, HD1**, entitled: **“To amend the fee structure for the Office of the Registrar of Corporations under the Department of Commerce and to remove daily penalty fees.”**, which was passed by the House of Representatives on First and Final Reading, by the majority vote of the members present, a quorum being present, during its First Day, Fourth Special Session on July 14, 2025.

Sincerely yours,


Linda B. Muña, MPA
House Clerk

Attachment

Transmittal to the SENATE

Received by: 

Date: 7/15/25

Time: 10:37 am

TWENTY-FOURTH NORTHERN MARIANAS COMMONWEALTH

LEGISLATURE

IN THE HOUSE OF REPRESENTATIVES

MARCH 11, 2025

First Regular Session, 2025

H. B. 24-13, HD1

A BILL FOR AN ACT

To amend the fee structure for the Office of the Registrar of Corporations under the Department of Commerce and to remove daily penalty fees.

**BE IT ENACTED BY THE 24TH NORTHERN MARIANAS
COMMONWEALTH LEGISLATURE:**

1 **Section 1. Findings and Purpose:** The Legislature finds the Public Law
2 No. 21-37 was enacted on January 7, 2021. The law aimed to establish an elevated
3 fee structure for the Department of Commerce, Office of the Registrar of
4 Corporations, and to designate a specific percentage of these fees to the department
5 to secure necessary funding for technological upgrades and maintenance, thereby
6 enhancing their operational efficiency. The law mandates that the Secretary of
7 Finance establish a separate account, designated as the Commerce Registrar of
8 Corporation Account, into which 75% of the fees collected under 4 CMC § 4205
9 shall be deposited without fiscal year limitations, with the Secretary of Commerce
10 serving as the expenditure authority. In an additional effort to ensure compliance
11 and hold the department accountable for its actions, a sunset provision was
12 incorporated. It read, “If the CNMI Department of Commerce is unable to procure

1 and implement an online platform for the submission and processing of documents
2 by December 21, 2022, all new and increased fees established by this act shall be
3 reduced by 25%”.

4 The Legislature recognizes that the Department of Commerce requires
5 additional resources to support its operations; thus, the purpose of this Act is to
6 delete the sunset provision that will reinstate the higher fee structure; authorize the
7 Secretary of Commerce to adjust fees; and eliminate daily penalty fees.

8 **Section 2. Amendment:** Title 4, Division 4, Section 4205 of the
9 Commonwealth Code shall be amended to read as follows:

10 “§ 4205. Filing, Service, and Copying Fees.

11 (a) The following fees are imposed and, shall be paid to the
12 Department of Finance and proof of payment delivered to the Registrar of
13 Corporations when the documents described in this subsection are delivered
14 for filing:

15 (1) ~~\$150~~ \$112.50 Articles of Organization (LLC);

16 (2) ~~\$150~~ \$112.50 Articles of Incorporation;

17 (3) ~~\$250~~ \$187.50 Application for Reinstatement following
18 Administrative Dissolution;

19 (4) ~~\$250~~ \$187.50 Application for Certificate of Authority for
20 Foreign Corporation;

21 (5) ~~\$50~~ \$37.50 Application for Amended Certificate of Authority

- 1 for Foreign Corporation;
- 2 (6) ~~\$30~~ \$22.50 Non-Profit Corporation (Petition, Charter &
3 Bylaws);
- 4 (7) ~~\$100~~ \$75 Registration of Partnership;
- 5 (8) ~~\$100~~ \$75 Amended Articles of Organization;
- 6 (9) ~~\$100~~ \$75 Amended Articles of Incorporation;
- 7 (10) ~~\$100~~ \$75 Restated Articles of Incorporation;
- 8 (11) ~~\$50~~ \$37.50 Articles of Dissolution/Termination;
- 9 (12) ~~\$100~~ \$75 Articles of Merger or Share Exchange;
- 10 (13) ~~\$50~~ \$37.50 Articles of Revocation of Dissolution;
- 11 (14) ~~\$100~~ \$75 Annual & Initial Corporation Report for: Domestic,
12 Foreign & Partnership, LLC.;
- 13 (15) ~~\$50~~ \$37.50 Application for Certificate of Withdrawal;
- 14 (16) ~~\$25~~ \$18.75 Articles of Correction;
- 15 (17) ~~\$200~~ \$150 Service of Process served on the Registrar of
16 Corporations;
- 17 (18) ~~\$50~~ \$37.50 Any other document required or permitted to be
18 filed, such as bylaws affidavit, minutes, resolution, Amendment annual
19 report & amendment, by-law, operating agreement, stocks, resignation as
20 officer or director;
- 21 (19) ~~\$10~~ \$7.50 Non-Profit Corporation Report, Initial;

HOUSE BILL 24-13, HD1

- 1 (20) ~~\$50~~ \$37.50 Application for Certificate of Existence or Authorization
2 or Good Standing;
- 3 (21) ~~\$50~~ \$37.50 Registered Agent Form;
- 4 (22) ~~\$10~~ \$7.50 Agent's statement of: change of registered office or
5 resignation;
- 6 (23) ~~\$50~~ \$37.50 Application for Reservation of Name, Notice of
7 Transfer of Reserved Name;
- 8 (24) ~~\$50~~ \$37.50 Application for Registered Name, Application for
9 Renewal of Registered Name;
- 10 (25) ~~\$25~~ \$18.75 Corporation's statement of change of registered
11 agent or
12 registered office or both;
- 13 (26) ~~\$20~~ \$15 For Certificate or Certification of Document; ~~\$1.00~~
14 \$0.75 for additional page for copying (Acct. No. 1300-62300);
- 15 (27) ~~\$100~~ \$75 Annual Subscription for the Commonwealth
16 Register; and (Acct. No. 7745-45570);
- 17 (28) ~~\$30~~ \$22.50 Postage fee for the Commonwealth Register
18 (Acct. No. 1170- 62250);
- 19 (29) ~~\$5~~ \$3.75 Per document, i.e., Articles of Inc., Bylaws, Annual
20 Reports (uncertified copies), ~~\$1.00~~ \$0.75 per copy of each additional
21 attachments;

1 (30) ~~\$150~~ \$112.50 Expedited Service fee, business organization
2 document filing (fulfilled within 1 business day);

3 (31) ~~\$150~~ \$112.50 Expedited Service fee, certified research request,
4 i.e., certification requests of documents (fulfilled within 1 business day);

5 (32) ~~\$150~~ \$112.50 Penalty for documents received after March 1st,
6 i.e., Initial Reports, Annual Reports; and

7 (33) ~~\$10 Per day for Annual Reports received after March 2nd (in~~
8 ~~addition to \$150 Penalty for late filing);~~

9 (34) ~~\$25~~ \$18.75 Penalty for late filing on Non-Profit Corporation
10 Report, Annual & Minutes; ~~and~~

11 (35) ~~\$5 Per day for Non-Profit Annual Reports received after March~~
12 ~~2nd (In addition to \$25 Penalty for late filing).~~

13 (b) The Secretary of Finance shall establish a separate account,
14 Commerce Registrar of Corporation Account, and shall deposit 75% of the
15 fees collected pursuant to 4 CMC § 4205 without fiscal year limitation. The
16 Secretary of Commerce shall be the expenditure authority.

17 (c) The authority to adjust fees resides exclusively with the
18 Secretary of Commerce; however, any adjustment shall not exceed
19 25 percent.”

20 **Section 4. Severability.** If any provisions of this Act or the application of
21 any such provision to any person or circumstance should be held invalid by a court

1 of competent jurisdiction, the remainder of this Act or the application of its
2 provisions to persons or circumstances other than those to which it is held invalid
3 shall not be affected thereby.

4 **Section 5. Savings Clause.** This Act and any repealer contained herein
5 shall not be construed as affecting any existing right acquired under contract or
6 acquired under statutes repealed or under any rule, regulation, or order adopted
7 under the statutes. Repealers contained in this Act shall not affect any proceeding
8 instituted under or pursuant to prior law. The enactment of the Act shall not have
9 the effect of terminating, or in any way modifying, any liability, civil or criminal,
10 which shall already be in existence on the date this Act becomes effective.

11 **Section 6. Effective Date.** This Act shall take effect upon its approval by
12 the Governor, or it becoming law without such approval.

Prefiled: 3/7/2025

Date: 3/7/2025

Introduced by: /s/ Rep. Thomas J. DLC. Manglona
/s/ Rep. Julie M.A. Ogo
/s/ Rep. Patrick H. San Nicolas

Reviewed for introduction purposes only by:

/s/ Joseph L.G. Tajjeron, Jr.
House Legal Counsel
Date: 3/6/2025

House Bill No. 24-13, HD1: Reviewed for legal sufficiency by:

/s/ Joseph L.G. Tajjeron, Jr.
House Legal Counsel
Date: 5/8/2025



TWENTY-FOURTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

HOUSE OF REPRESENTATIVES

COMMITTEE ON COMMERCE

P.O. BOX 500586 SAIPAN, MP 96950

THOMAS JOHN "TJ" DELA CRUZ MANGLONA
CHAIRMAN

Adopted - 7/14/2025
STANDING COMMITTEE REPORT NO. 24-12
DATE: May 8, 2025
RE: House Bill No. 24-13

The Honorable Edmund S. Villagomez
Speaker of the House of Representatives
Twenty-Fourth Northern Marianas
Commonwealth Legislature
Capitol Hill
Saipan, MP 96950

230

Dear Mr. Speaker:

Your Committee on Commerce to which was referred:

230

House Bill No. 24-13: To amend the fee structure for the Office of the Registrar of Corporations under the Department of Commerce and to remove daily penalty fees.

begs leave to report as follows:

I. RECOMMENDATION:

230

After considerable discussion, your committee recommends that House Bill No. 24-13 be passed by the House in the form of House Draft 1.

II. ANALYSIS:

A. Purpose:

The purpose of this Act is to reduce start-up costs for small businesses.

B. Committee Amendments:

The Committee made the following amendments to strengthen the intent of this Act.

1. Page 2, Lines 14-12. Findings and Purpose was amended to read as follows:

~~“The Legislature recognizes that the Department of Commerce requires additional resources to support its operations; thus, the purpose of this Act is to delete the sunset include a provision that will reinstate the higher fee structure prior; authorize the Secretary of Commerce to adjust fees; and eliminate daily penalty fees. The authority to adjust fees reside exclusively with the Secretary of Commerce; however, any increase must not exceed 25 percent.”~~to its 25% reduction as soon as the Department of Commerce procures and implements an online platform for document submission and processing, as well as to eliminate all daily penalty fees.”

2. Page 6, Lines 1-8. Section 2, § 4205 (c) is amended to read as follows:

~~“(c) Sunset Provision. All reduced fees will revert to the level they were before the 25% reduction authorized by Public Law 21-37, thirty (30) days after the CNMI Department of Commerce procures and implements a permanent online platform for the submission and processing of documents.”~~

(c) The authority to adjust fees resides exclusively with the Secretary of Commerce; however, any adjustment shall not exceed 25 percent.”

B. Committee Findings:

Your Committee finds that Public Law No. 21-37, as codified under 4 CMC § 4205, was

enacted to update the fee structure for the Office of the Registrar of Corporations under the Department of Commerce that has not been raised for many years. Since the establishment of the Office of the Registrar of businesses, there has been a rise in economic activities and non-profit businesses seeking to invest and improve the welfare of the Commonwealth. Moreover, with the advent of the COVID-19 pandemic, businesses dedicated to serving our community have continued operations despite experiencing income losses. The Committee concludes that there was no intention to impose excessive hardship by levying daily late penalties with a late filing cost for reports.

Accordingly, the purpose of this legislation is to remove the sunset provision that would reinstate the higher fee structure, empower the Secretary of Commerce to modify fees, and abolish daily penalty fees.

C. Public Comments/Public Hearing:

The Committee solicited comments from the following entities:

1. CNMI Office of the Attorney General
2. Saipan Chamber of Commerce
3. Department of Commerce
4. Department of Finance
5. Mayor of Saipan
6. Mayor of Tinian and Aguiguan
7. Mayor of Rota
8. Mayor of the Northern Islands
9. Municipal Councils

The Committee received comments from the following:

- Joe C. Guerrero, President, Saipan Chamber of Commerce. Comments dated April 11, 2025.

“On behalf of the Saipan Chamber of Commerce (SCC), I am writing to share our support to H.B. No. 24-13 which seeks amend the fee structure for the Office of the Registrar of Corporations under the Department of Commerce and to remove daily penalty fees.”

Comment received have been attached as part of this committee report.



Board of Directors

April 11, 2025

President

Joe C. Guerrero

Thomas Manglona
Representative
24th Commonwealth Legislature
PO Box 500586
Saipan MP 96950

Vice President

Joshua Wise

Treasurer

Janice Tenorio

Re: H.B. No. 24-13 - To amend the fee structure for the Office of the Registrar of Corporations under the Department of Commerce and to remove daily penalty fees.

Secretary

Ron Smith

Håfa adai yan tirow Representative Manglona,

Directors

Alex A. Sablan
John Arroyo
Velma Palacios
Brad Ruzsala
Nicole Babauta

I hope this letter finds you well. On behalf of the Saipan Chamber of Commerce (SCC), I am writing to share our support to H.B. No. 24-13 which seeks to amend the fee structure for the Office of the Registrar of Corporations under the Department of Commerce and to remove daily penalty fees.

Executive Director

Kimberly Camacho

We commend the Department of Commerce for its proactive efforts to streamline operations and embrace technological advancements. The proposed amendments will modernize the fee structure while eliminating burdensome daily penalty fees, fostering a more business-friendly environment.

Marianas Business Plaza
2nd Floor, Suite 201-A Nauru
Loop, Susupe
PO Box 500806
Saipan, MP 96950

We especially acknowledge the department's commitment to launching an online platform for document submission and processing, which will greatly improve efficiency and accessibility. To ensure the success of these initiatives, it is crucial to provide the necessary resources to support the department's operations and technological upgrades.


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However, we seek clarification regarding the sunset provision in Section 2, subsection (c). We would like to confirm whether the provision applies solely to the 25% fee reduction authorized by Public Law 21-37 or if the removal of daily penalty fees will also be reversed upon the implementation of the online platform. Understanding the scope of the sunset provision is crucial for businesses to plan accordingly. We urge the Legislature to provide clear guidance on this matter to ensure transparency and avoid future confusion.

We appreciate the opportunity to provide input on this matter and would welcome the chance to further discuss our concerns. We look forward to collaborating with you on this and other legislative efforts aimed at improving our community.

Si Yu'us ma'âsi' yan ghilisow,


Joe C. Guerrero
President