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

SEN. COMM: 24-102
(HOUSE)

May 06, 2026

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 returning with amendments House Bill No. 24-96, entitled, "To appropriate $960,235.74 in Tobacco Settlement Funds, identified by the Governor as additional funds available for appropriation in Governors Communication (House) 24-103, to the Marianas Visitors Authority for tourism recovery initiatives." The Senate passed on Final Reading H.B. No. 24-96, SD1, entitled, "To appropriate $960,235.74 in Tobacco Settlement Funds, identified by the Governor as additional funds available for appropriation in Governor's Communication (House) 24-103, by the unanimous vote, in its 1st Day, Third Special Session on May 01, 2026.

Sincerely,

Dolores S. Bermudes
Senate Clerk

Attachment

**Transmitted to HOUSE:**

Received by: _____ Date: 05-06-2026 Time: 10:58Am

**TWENTY-FOURTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE**

**IN THE HOUSE OF REPRESENTATIVES**

**FEBRUARY 25, 2026**

**Third Regular Session, 2026** **H. B. 24-96, SD1**

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**A BILL FOR AN ACT**

To appropriate $960,235.74 in Tobacco Settlement Funds, identified by the Governor as additional funds available for appropriation in Governor's Communication (House) 24-103~~, to the Marianas Visitors Authority for tourism recovery initiatives.~~

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

**Section 1. Findings and Purpose.** Tourism is the cornerstone of the Commonwealth's private-sector economy and remains directly dependent on sustained air access, destination competitiveness, and visitor demand. The Legislature finds that, despite stabilization efforts, the tourism sector continues to operate under severe constraints, including airline seat capacity well below pre-pandemic levels, reduced or suspended routes, historically low hotel occupancy outside limited peak periods, and declining visitor arrivals that closely track airlift availability.

Ongoing structural and external pressures have materially impeded recovery, including unfavorable exchange rates in core source markets, global aircraft delivery delays, heightened regional competition driven by aggressive subsidy

programs, and aviation market uncertainty affecting carrier deployment decisions. The Legislature further finds that existing hotel occupancy levels remain far below estimated break-even thresholds, locally generated revenues such as Hotel Occupancy Tax collections have declined sharply from pre-pandemic levels, and these revenue shortfalls have constrained the scale and timing of tourism recovery efforts.

Uninterrupted and reliable air service is the most critical determinant of tourism performance in the Commonwealth, as evidenced by strong load factors despite overall capacity reductions. The Legislature finds that strategic airline incentive support, cooperative marketing programs, and sustained destination branding are necessary to retain existing service, stabilize frequencies, encourage seasonal and future expansion, and signal to airline partners that the Commonwealth is committed to protecting and rebuilding its airlift in a highly competitive regional environment.

The Legislature finds that the Commonwealth is confronting urgent and competing priorities that require the immediate reallocation of public resources. Although tourism remains vital to the economy, the Legislature determines that disaster recovery and the restoration of essential government services must take precedence where communities have suffered widespread damage.

The Legislature finds that Super Typhoon Sinlaku caused significant destruction throughout the First, Second, and Third Senatorial Districts, disrupting

municipal operations, damaging public infrastructure, and impairing local governments' ability to provide essential services. Without immediate financial assistance, recovery efforts will be delayed, prolonging hardship for affected residents.

The Legislature further finds that it is necessary and appropriate to redirect a portion of the funds previously identified for tourism-related purposes to address these urgent recovery needs. Such action reflects the Commonwealth's responsibility to prioritize public safety, community stability, and the restoration of government functions.

The Legislature additionally affirms its constitutional obligation under Article XV, Section 1(e) of the Constitution of the Commonwealth of the Northern Mariana Islands to provide funding to the Public School System, particularly in times when disaster impacts threaten the continuity of education.

Responding to these conditions, the purpose of this Act is to appropriate $960,235.74 in Tobacco Settlement Funds, identified by the Governor as additional funds available for appropriation from outside sources, in Governor's Communication (House) 24-103, to the Marianas Visitors Authority for tourism recovery efforts, to support the recovery and operational needs of the First, Second, and Third Senatorial Districts, and to allocate twenty-five percent (25%) of the total appropriation to the Public School System in accordance with constitutional requirements.

**Section 2. Appropriation.** Notwithstanding any laws, rules, or regulations to the contrary, the Tobacco Settlement Funds in the amount of $960,235.74 is hereby appropriated as follows:

(a) $240,058.94 to the CNMI Public School System (PSS). The expenditure authority shall be the PSS Commissioner. The PSS Commissioner shall be responsible for reporting all expenses to the Presiding Officers of the Legislature upon the exhaustion of the funds appropriated under this Act.

(b) $100,000.00 for activities and programs in the First Senatorial District, according to an adopted resolution by the Rota Legislative Delegation.

(c) $100,000.00 for personnel and operations of the Office of the Mayor of Tinian and Aguiguan, according to an adopted resolution by the Tinian and Aguiguan Legislative Delegation.

(d) $100,000.00 for personnel and operations of the Office of the Mayor of Saipan, according to an adopted resolution by the Saipan and Northern Islands Legislative Delegation.

(e) $50,000.00 for the operations of the Legislative Bureau (LB) of the Northern Marianas Commonwealth Legislature. The expenditure authority shall be the LB Director. The LB Director shall be responsible for reporting all expenses to the Presiding Officers of the Legislature upon the exhaustion of the funds appropriated under this Act.

~~(a)~~(f) ~~$960,235.74~~ $370,176.80 shall be allocated to the Marianas Visitors

Authority for tourism recovery efforts. The expenditure authority shall be the Chairperson of the Board of Directors of the Marianas Visitors Authority. The MVA Board of Directors Chairperson shall be responsible for reporting all expenses to the Presiding Officers of the Legislature upon the exhaustion of the funds appropriated under this Act.

**Section 3. No Fiscal Limitation.** The funds appropriated under Section 2 shall be without fiscal year limitation.

**Section ~~3~~ 4. Severability.** If any provisions of this Act or the application of any such provision to any person or circumstance should be held invalid by a court of competent jurisdiction, the remainder of this Act or the application of its provisions to persons or circumstances other than those to which it is held invalid shall not be affected thereby.

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

**Section ~~5~~ 6. Effective Date.** This Act shall take effect upon its approval by the Governor, or it becoming law without such approval.

Prefiled: 2/13/2026

Date: 2/13/2026

Introduced by: /s/ Rep. Marissa R. Flores
/s/ Rep. Diego V. F. Camacho
/s/ Rep. Thomas J. DLC. Manglona
/s/ Rep. Elias J.M. Rangamar
/s/ Rep. Edmund S. Villagomez
/s/ Rep. Vincent R. Aldan
/s/ Rep. Daniel I. Aquino Jr.
/s/ Rep. Blas Jonathan "BJ" T. Attao
/s/ Rep. Roman C. Benavente
/s/ Rep. Angelo A. Camacho
/s/ Rep. Joel C. Camacho
/s/ Rep. Joseph A. Flores
/s/ Rep. Malcolm J. Omar
/s/ Rep. Raymond U. Palacios
/s/ Rep. John Paul P. Sablan
/s/ Rep. Patrick H. San Nicolas
/s/ Rep. Ralph N. Yumul
/s/ Rep. Julie M.A. Ogo

Reviewed for legal sufficiency by:

/s/ Karie Comstock
House Legal Counsel

Date:2/12/2026