



HOUSE OF REPRESENTATIVES
TWENTY-FOURTH NORTHERN MARIANAS COMMONWEALTH
LEGISLATURE

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

September 2, 2025

HOUSE
FILE
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The Honorable Karl R. King-Nabors
President
The Senate
Twenty-Fourth Northern Marianas
Commonwealth Legislature
Capitol Hill
Saipan, MP 96950

Dear Senate President King-Nabors:

I have the honor of transmitting herewith for Senate *action* **H. B. No. 24-9, HD1**, entitled: **“To amend 4 CMC § 1803 by reallocating a portion of the Hotel Occupancy Tax received by the Marianas Visitors Authority to the Division of Parks and Recreation to support beautification efforts.”**, 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 Second Day, Second Regular Session on August 29, 2025.

Sincerely yours,


Linda B. Muña, MPA
House Clerk

Attachment

TRANSMITTAL TO THE SENATE

Received by: Chanelle Borja

Date: 9/2/25

Time: 3:27pm

TWENTY-FOURTH NORTHERN MARIANAS COMMONWEALTH

LEGISLATURE

IN THE HOUSE OF REPRESENTATIVES

MARCH 11, 2025

First Regular Session, 2025

H. B. 24-9, HD1

A BILL FOR AN ACT

To amend 4 CMC § 1803 by reallocating a portion of the Hotel Occupancy Tax received by the Marianas Visitors Authority to the Division of Parks and Recreation to support beautification efforts.

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

1 **Section 1. Findings and Purpose.** The Hotel Occupancy Tax (HOT) was
2 established by Section 502(a) of Public Law 3-11 in 1982 and originally imposed a
3 10% tax on transient occupants of accommodations, such as hotels, lodging houses,
4 and similar facilities:

5 An occupancy tax is imposed upon transient occupants of a room or
6 rooms in a hotel, lodging house, or similar facility of ten percent (10%)
7 of the amount charged or paid for the accommodations. This tax applies
8 and is collectible when the payment is made.

9 Section 803(b) of Public Law 3-11 allocated 70% of the HOT revenue to the
10 Marianas Visitors Bureau (MVB), which was later replaced by the Marianas
11 Visitors Authority (MVA) pursuant to Public Law 11-15. The HOT later underwent

1 several amendments, including an increase in the tax rate from 10% to 15% under
2 Public Law 18-1. Similarly, MVA's share of revenue collected under the HOT rose
3 from 70 to 80% through Public Law 19-36.

4 The Legislature also finds that Public Law 18-1 creates an MVA Trust Fund
5 administered by the Secretary of Finance into which revenues entitled to the MVA
6 pursuant to 4 CMC § 1803 are deposited. Public Law 18-1, which is partially
7 codified under 4 CMC § 2159, allocates a portion of funds from the MVA Trust
8 Fund to the Municipalities of Tinian and Rota. Public Law 20-17 later amended 4
9 CMC § 2159 to provide that not less than two percent for each municipality, but
10 not less than \$300,00 each, whichever is greater, of the funds per fiscal year from
11 the MVA Trust Fund, shall be remitted to the Municipalities of Saipan, Tinian, and
12 Rota. These funds are required to be used to implement charter flight tourism
13 incentives, promotional programs, tourism enhancement activities, beautification
14 projects, island-wide cleanup, as well as to purchase supplies and equipment
15 necessary for such projects.

16 The Legislature also finds that Public Law 23-10 requires that the MVA
17 "collaborate and work with the Division of Parks and Recreation (DPR) under the
18 Department of Lands and Natural Resources (DLNR) and the Department of Public
19 Lands (DPL) in developing facility designs and the overall improvement of the sites
20 under the jurisdiction of the DPR and the Mayors of the respective senatorial
21 districts pursuant to the designation conditions issued by the Department of Public

1 Lands on public lands located within 150 feet of high water.”

2 The Legislature finds that Public Law 11-106 established and charged the
3 DPR with the responsibility of “managing, maintaining, landscaping, and
4 beautifying Commonwealth parks and recreational facilities” The term
5 “Commonwealth park” was later amended through Section 3(b) of Public Law 14-
6 27 to include tourist sites formerly managed and maintained by the Marianas
7 Visitors Authority.

8 Therefore, the Legislature finds that a portion of the funds received through
9 the HOT was intended to promote tourism and further finds that there is a need to
10 provide a share of the HOT to the DPR. By reallocating a portion of the HOT to
11 help sustain the DPR’s efforts in managing, maintaining, landscaping, and
12 beautifying Commonwealth parks, recreational facilities, and tourist sites, the
13 Legislature finds that it will ensure the continued enhancement and preservation of
14 these public spaces, which are essential to the overall visitor experience and our
15 tourism industry.

16 Thus, the purpose of this Act is to amend 4 CMC § 1803 by reallocating a
17 portion of the HOT received by MVA to the DPR to support beautification efforts.

18 **Section 2. Amendment.** 4 CMC § 1803 of the Commonwealth Code is
19 hereby amended to read as follows:

20 **“§ 1803. Distribution of Revenues Collected Under 4 CMC §§**
21 **1405(b) and 1502 Marianas Visitor Authority and the Retirement Fund.**

1 (a) The Marianas Visitors Authority shall receive twenty percent of
2 the taxes collected under 4 CMC § 1405(b) and ~~eighty~~ seventy-nine (79%)
3 percent of the taxes collected under 4 CMC § 1502.

4 (b) Twenty percent of the taxes collected under 4 CMC § 1502 and
5 thirty percent of the taxes collected under 4 CMC § 1405(b) shall be
6 allotted and paid to the Northern Mariana Islands Retirement Fund.
7 Notwithstanding 1 CMC § 7401, the Secretary of Finance may expend tax
8 revenues allotted and paid to the Northern Mariana Islands Retirement
9 Fund without appropriation to fund the operations and obligations of the
10 fund, and/or the 25% pension payments to retirees, without regard to
11 whether or not they are members of the Settlement Fund.

12 (c) The Division of Parks and Recreation shall receive one percent
13 (1%) or \$40,000 of the taxes collected under 4 CMC § 1502, whichever is
14 greater. The funds shall be provided to the Division of Parks and
15 Recreation and used exclusively for beautification efforts. The funds shall
16 not be used for travel or be reprogrammed for any other purpose.”

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

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

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

Prefiled: 3/6/2025

Date:

Introduced by: /s/ Rep. Joel C. Camacho
/s/ Rep. Diego V.F. Camacho
/s/ Rep. Marissa R. Flores
/s/ Rep. Julie M.A. Ogo
/s/ Rep. Edmund S. Villagomez

Reviewed for legal sufficiency by:

/s/ Joseph M. Hallahan
House Legal Counsel

Date: 3/6/2025